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ABSTRACT

Comprehensive recommendations concerning tuition and fee policy for Washington public institutions of higher education are presented, based on 1981-83 rates calculated in compliance with statutory requirements. Under the new recommendations, the combined tuition and operating fees for resident undergraduate students at the University of Washington and Washington State University would continue to be set at 25 percent of the operating cost of instruction in the preceding biennium, and fees for nonresident undergraduates at 100 percent of such cost. The definition of operating cost would be changed to include all state funds budgeted as instruction by the state. The combined tuition and fees for graduate students, professional school students, and community college students, and students at the regional universities and Evergreen State College are also covered, along with provisions for increasing services and activities fees. Recommendations also address: the use of tuition and fee income and the process by which these amounts are set: part-time students: and increased student aid. Rationale for the recommendations, background information on the Washington system, the economic outlook and a comparison of tuition/fee levels with other states are covered. Detailed calculations and pertinent tuition and fee statutes are appended. (SW)

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Report No. 81-4

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STATE OF WASHINGTON

COUNCIL FOR POSTSECONDARY EDUCATION

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TUITION AND FEE POLICY RECOMMENDATIONS

1981 - 1983

November, 1980

Prepared by:

Denis J. Curry

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HE013 433

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PREFACE

Washington is one of four states in which general student fees for public higher education are established by statute. One of the basic statutory responsibilities of the Council for Postsecondary Education is the study of fees and charges to students and making specific recommendations on tuition and fee rates for legislative and executive consideration.

This report, the latest in a series, contains specific rate recommendations for the 1981-83 biennium, calculations required by statute (RCW 28B.15.075), and a series of other recommendations for changes in the method by which tuition and operating fees would be determined and operating fee revenues budgeted.

With only isolated exceptions (e.g., City University of New York and California Community Colleges), general student fees historically have been one of the essential components of current operating revenues of higher education institutions. In the case of many independent institutions, such fees provide the major part of current revenues. Comparatively low charges to students, replaced by state and local government appropriations, have been a longstanding tradition in public higher education as a principal means to facilitate broad access and opportunity to participate. Public policy generally favors especially low tuition and fee rates at community colleges because of their paramount assignment to facilitate public access to education beyond high school.

Over the past decade, a partial alternative to minimal public institution fee rates has gained widespread acceptance. The alternative is increased student (and parental) shares of the costs of instruction for the majority who can afford to pay, matched by increased availability of need-based student financial aid for persons needing such assistance. National policy groups such as the Carnegie Commission on Higher Education have recommended relatively higher cost shares for students than are typical of states with low tuition traditions such as Washington -- always accompanied by appropriate student financial aid provisions. Exact relationships among student charges, student aid, and access and participation are not precisely identifiable and are the subject of differing opinions. Such differences of opinion were manifest in debates before the Council preceding adoption of this report and recommendations.

As indicated in the report, the present situation in Washington consists of very high participation rates, low charges to students, relatively high taxpayer support but low per-student appropriations and even lower per-student financial support because of the low student charges. Another characteristic has been infrequent decisions to alter charges to students, with changes being made more often in response to economic necessity than as a matter of defined policy.

The 1981-83 biennium presents another apparent instance of economic necessity -- an apparent deep shortfall between real postsecondary education budget needs and available state revenues.

In this context, it should be noted that the Council's recommendations are based on a proposed policy framework quite consistent with the low-tuition tradition typical of higher education policy in Western states. Recommended fee rates, after three years with no changes at all, would remain below national and comparison group averages by varying percentages according to student level and type of institution. Even so, the percentage increases over current rates would be substantial because of the three year period without changes.

Two basic premises of the Council's recommendations should be emphasized: First, the operating fee rate increases should be totally and demonstrability applied to maintenance of operating budget support in each institution; and second, student fee increases should be matched by state student aid program increases in accordance with the intent expressed in current law.

Chalmers Gail Norris
Executive Coordinator
November 12, 1980

Executive Summary

On October 9, 1980, the Council for Postsecondary Education adopted comprehensive recommendations for tuition and fee policy for Washington public institutions of higher education. The report adopted by the Council includes the 1981-83 rates calculated in compliance with statutory requirements. In addition, it contains 14 recommendations for consideration by the Governor and the Legislature.

Under the new recommendations, the combined tuition and operating fees for resident undergraduate students at the University of Washington and Washington State University would continue to be set at 25 percent of the operating cost of instruction in the preceding biennium, and the fees for nonresident undergraduate students at 100 percent of such cost (Recommendations 1 and 2). The definition of operating cost of instruction would be changed to include all state funds budgeted as instruction by the state (Recommendation 4). Previously, certain amounts used for departmental research or service purposes were excluded from the cost calculations. The combined tuition and operating fees for graduate students would be set at 120 percent of those for undergraduates rather than the present 115 percent. The fees for MD, DDS, and DVM students would continue to be set at 160 percent of undergraduate charges subject to further study (Recommendation 3).

Under the recommendations (Recommendation 4), combined tuition and operating fees for students at the regional universities and The Evergreen State College would be established at 75 percent of those for the doctoral/research universities. Fees for resident students at community colleges, however, would be set at 18 percent of the operating cost of instruction

in the community colleges systemwide, rather than as a fraction of doctoral/ research university rates, as at present. Nonresident students at community colleges would, for the first time, pay 100 percent of the cost of instruction for the preceding biennium.

Although there have been no fee increases for three years and a serious financial situation faces public higher education, the Council recognized the need to mitigate the impact on students and parents by recommending that the increases be phased-in. Under Recommendation 5, three-fourths of the increase would be applicable in 1981-82 and the remainder in the second year of the biennium. Because every available dollar is certain to be needed for essential operating expenses in 1981-83, the Council recommended that the increases be applied entirely to the operating fee (Recommendation 9).

Council Recommendation 6 would authorize each institutional governing board to increase the non-bonded portion of Services and Activities fees by up to the same percentage as the combined tuition and operating fee increase. This adjustment would be optional on the part of each board. However, the Council recommended that any such increase not be considered unless requested by recognized student government groups.

Specific 1981-83 tuition and fee amounts reflecting Council recommendations and including maximum possible Services and Activities fee charges are shown in the following table. The report contains additional tables providing more detailed breakdowns and comparisons.

Academic Year Student Charges
(Three Terms or Two Semesters)

	1978-79 1979-80 1980-81	1981-83			1982-83		
		Amount	Increase		Amount	Increase	
	$	$	$	%	$	$	%
Washington Residents							
Community Colleges	306	396	90	29%	429	30	8%
Regional, Undergraduate	618	735	117	19%	774	39	5%
Regional, Graduate	684	840	156	23%	891	51	6%
UW/WSU, Undergraduate	687	879	192	28%	942	63	7%
UW/WSU, Graduate	771	1,017	246	32%	1,098	81	8%
UW/WSU, MD/DDS/DVM	1,029	1,314	285	28%	1,410	96	7%
Nonresidents							
Community Colleges	1,188	1,833	645	54%	2,046	213	12%
Regional, Undergraduate	1,983	2,394	411	21%	2,529	135	6%
Regional, Graduate	2,256	2,811	555	25%	2,997	186	7%
UW/WSU, Undergraduate	2,394	3,060	666	28%	3,282	222	7%
UW/WSU, Graduate	2,736	3,615	879	32%	3,906	291	8%
UW/WSU, MD/DDS/DVM	3,759	4,806	1,047	28%	5,154	348	7%

The Council also recommended measures aimed at restoring the visible link between student operating fees and institutional operating budgets, establishing a policy based system for tuition and fee adjustments, providing a modicum of flexibility to institutional governing boards, and encouraging more financially responsible local management with respect to consideration of periodic fee increases and proposals for fee waiver programs. These measures include returning the operating fee to local fund status with specified controls (Recommendations 7 and 8); that the Legislature utilize the rates calculated in accordance with the policy recommendations to calculate operating fee income, and authorizing governing boards to set the operating fee at 10 percent more or less than the state-calculated amount (Recommendation 10). The maximum academic year variations permissible for resident undergraduates if the latter recommendation is adopted would be: Doctoral/research universities -- $61 in 1981-82 and $66 in 1982-83; regional institutions -- $48 in 1981-82 and $51 in 1982-83; community colleges -- $21 in 1981-82 and $23 in 1982-83.

Other recommendations adopted by the Council would extend bonding authority against Services and Activities fees to community colleges (Recommendation 11) and would provide greater consistency in charges to part-time students (Recommendations 12 and 13).

The Council concluded its recommendations with a strong endorsement of sufficient student aid funds so that needy students not be deprived of access to higher education due to increases in tuition and fees (Recommendation 14).

The Council's 1981-83 tuition and fee recommendations would generate an estimated $51 million in new operating revenue. Current statute states a legislative intent that 24 percent of that amount be matched by increases in available student financial aid. The increased student aid ($12.2+ million) would be provided in large part by automatic entitlement increases under the Federal Basic Educational Opportunity Grant program and in institutional fee waiver authority, but $4.3 million would need to be appropriated specifically for the State Need Grant and State Work Study Programs.

If the new rates recommended by the Council are adopted, fees paid by Washington residents attending Washington public institutions will be close to projected national averages in 1982-83, except in the community colleges. Resident rates for Washington community colleges would still be 22 percent below the projected national average, and 16 percent below the projected average for community colleges in six "pacesetter" states (California, Florida, Illinois, Michigan, New York, and Texas). Fees paid by Washington residents in the doctoral/research and regional institutions also will be substantially below projected averages for counterpart institutions in seven comparison states (California, Illinois, Indiana, Michigan, Minnesota, Oregon, and Wisconsin). Undergraduates at the regional institutions will be paying an estimated 19 percent less, and graduate students 13 percent. Undergraduates at the doctoral/research universities will be paying 27 percent less, and graduate students 36 percent. As these comparisons indicate, the effect of the policies recommended by the Council is rates which are in the mainstream of national patterns and which still maintain a low tuition and fee policy in terms of comparison institutions.

Tuition and Fee Policy Recommendations

1. The Council recommends that tuition and operating fees charged to resident undergraduate students at Washington public universities, state colleges, and community colleges be based on the following factors:

University of Washington Washington State University	Twenty-five percent of the 1979-81 adjusted average operating cost of instruction for undergraduates at those institutions.
Central Washington University Eastern Washington University Western Washington University The Evergreen State College	Seventy-five percent of the rates calculated for the two doctoral universities.
Community Colleges	Eighteen percent of the 1979-81 adjusted average operating cost of instruction at those institutions.

2. The Council recommends that tuition and operating fees charged to non-resident undergraduate students at Washington public universities, state colleges, and community colleges be based on the following factors:

University of Washington Washington State University	One hundred percent of the 1979-81 adjusted average operating cost of instruction for undergraduates at those institutions.

Central Washington University Eastern Washington University Western Washington University The Evergreen State College	Seventy-five percent of the rates calculated for the two doctoral universities.
Community Colleges	One hundred percent of the 1979-81 adjusted average operating cost of instruction at those institutions.

3. The Council recommends that tuition and operating fees for graduate students be calculated at 120 percent of undergraduate charges. Tuition and operating fees for students enrolled in programs leading to MD, DDS, and DVM degrees should continue to be set at 160 percent of undergraduate charges pending a complete review of medical, dental, and veterinary medicine tuition and fee charges and their relationship to supply and demand factors, student aid programs, and multi-state programs. Such a review shall be conducted by the Council in 1981-82.

4. The Council recommends that the cost base for calculating the operating cost of instruction be adjusted to insure inclusion of all state funds budgeted for regular academic and vocational instruction.

5. The Council recommends that a phasing in approach be adopted for 1981-83 adjustments in which three-fourths of the increases would be instituted in 1981-82 and the remaining portion in 1982-83.

6. The Council recommends that boards of regents and trustees be authorized to increase services and activities fees by up to the same percentage as tuition and operating fees are increased; PROVIDED, That (1) the percentage increase should not, however, be applied to the portion of services and activities fees committed to repayment of bonded debt; (2) the non-bonded portion for the regional universities and The Evergreen State College should be determined solely on the average of the three regional universities; and (3) such increases to be considered by boards only if requested by recognized student government groups.

7. The Council recommends that there be a clear and unmistakable relationship between the tuition and fees paid by students and the services which are, in part, financed by those fees. To this end, it recommends that additional revenues resulting from 1981-83 increases be used to maintain or augment higher education operations.

8. To support the principle outlined in Recommendation 7 in both 1981-83 and subsequent years, the Council recommends that operating fee receipts be returned to local fund status. In recognition of the need for sufficient accountability and disclosure, these receipts should be maintained in separate local funds and not be commingled with other local receipts and should be used to support the current operating budget. In addition, the Council endorses legislation necessary to ensure proper budgetary oversight and appropriate allotment controls over these funds.

9. The Council recommends that the increases in revenue for 1981-83 accrue solely to the operating fee to be used to maintain or improve current service levels and consequently that no increases be authorized in the general tuition category since general obligation bond financing is available for critically needed capital projects.

10. The Council recommends that the procedures for adjusting tuition and fee rates be modified as follows:

    a. The Legislature delete references to specific dollar amounts in the tuition and fee statutes except to maintain existing limits on the tuition portion and where required by existing bond convenants.

    b. The Legislature enact the proportions outlined in Recommendations 1 - 3 as the basis for calculating estimated operating fee income for each year to be used in determining the appropriations for institutions of higher education and the community college system.

    c. The Legislature authorize the respective boards of regents and trustees, subject, in the case of the community colleges, to State Board for Community College Education guidelines, full authority to set operating fee rates within plus or minus ten percent of the rates calculated for use in developing appropriation levels.

11. The Council recommends that, like the four-year colleges and universities, the community colleges be authorized to bond against student services and activities fees for construction of student unions and similar facilities after appropriate consultation with student government groups as required by law.

12. In view of Council recommendations for changes in the definition of residency for tuition and fee purposes, the Council recommends that part-time students who are not state residents be charged tuition and fees at an appropriate proportion of the recommended nonresident full-time rate.

13. The Council recommends that all part-time students enrolled in on-campus programs be charged an appropriate proportion of recommended tuition and operating fee rates unless such students are otherwise exempted by statute or where minimums are dictated by existing bond covenants.

14. The Council recommends that it is imperative that needy students not be deprived of access to higher education due to increases in tuition and fees. It is, therefore, of utmost importance that sufficient student aid funds be appropriated to fully implement the statement of legislative intent to this end as identified in RCW 28B.15.065.

Council Responsibilities

The Council for Postsecondary Education has two major responsibilities in the field of public college and university tuition and fees:

- The Council's basic statute (RCW 28B.80.030) calls upon the Council to "study levels of fees and charges to students and when necessary make recommendations to the institutions, Legislature, and Governor."
- The 1977 amendments to the tuition and fee statutes (specifically RCW 28B.15.075) direct the Council to "make recommendations to the Governor and the Legislature for adjustments in the amounts of tuition and operating fees consistent with the intent of this 1977 amendatory act." The statute goes on to require that the recommendations be made by not later than November 10 of each even-numbered year and be based on the operating costs of instruction at the state universities for the biennium then in effect.

The statement of legislative intent is contained within RCW 28B.15.060 and was reflected in tuition and fee adjustments made by the 1977 Legislature. The intent statute and adjustments made in 1977 relate maximum tuition and operating fees to the "operating cost of instruction"[1] in the following manner:

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[1] "Operating Costs of Instruction" are based on those of the two doctoral universities for the biennium preceding the period in which adjustments would go into effect and are calculated in a manner approved by the Higher Education Committees of the House and Senate.

FIGURE 1

Legislative Intent Factors[2]

Student Category/ Institutional Type	Calculation Basis
Undergraduate Resident	Not more than:
UW/WSU	25% of "operating cost of instruction"
Regional Universities	80% of UW/WSU rates
Community Colleges	45% of UW/WSU rates
Undergraduate Nonresident	
UW/WSU	100% of "operating cost of instruction"
Regional Universities	80% of UW/WSU rates
Community Colleges	50% of UW/WSU rates
Graduate Residents and Nonresidents	
All Four-Year Institutions	115% of appropriate undergraduate student rates
MD/DDS/DVM Residents and Nonresidents	
UW/WSU	160% of appropriate undergraduate student rates

A copy of the pertinent statutes is contained in Appendix C.

Organization of This Report

Student tuition and fee levels have been the subject of much debate and many reports since the late 1960's. In an effort to reduce this report to a manageable size and yet make sufficient background information available, the following format has been utilized:

Body of the Report: Contains brief background, recommendations, and rationale.

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[2]Only the resident undergraduate categories are outlined in RCW 28B.15.060. The other categories are inferred from 1977 legislative action.

Appendix A: Contains the detailed calculations to comply with RCW 28B.15.075 and to support Recommendations 1 - 4 of this report.

Appendix B: Contains comparison tables concerning tuition and fees and other national indicators.

Appendix C: Contains a copy of pertinent tuition and fee statutes.

Appendix D: Contains written comments on the preliminary draft received from interested parties.

A background report on the evolution of tuition and fee policies was provided to the Council in February, 1980. Discussions of operational guidelines to be used in developing 1981-83 recommendations were presented to the Council (Committee on Finance) in April and June, 1980. A preliminary draft of this report was discussed by the Committee on Finance in August. These documents serve as resource materials for this report, and copies are available on request from the Council office.

Recommendations Required by Law (RCW 28B.15.075)

The Council staff compiled the data and made the necessary calculations for determining the "operating cost of instruction" for the two doctoral universities as called for in RCW 28B.15.060. The 1979-81 cost of undergraduate instruction determined in accordance with the procedures approved by the Higher Education Committees of the House and the Senate is $2,999 per student. This amount reflects both the one and one-half percent biennial reduction mandated by executive order and an additional one percent biennial reduction imposed October, 1980 and is a 32 percent

increase above 1975-77 cost levels (which served as the basis for the 1977 legislative action).

Table I illustrates the effect of fully implementing the intent statement in accordance with the factors shown in Figure 1, which relate to the legislative statement of intent. These amounts are those referred to in RCW 28B.15.075, which directs the Council to "make recommendations to the Governor and the Legislature for adjustments in the amounts of tuition and operating fees consistent with the intent of this 1977 amendatory act." It is important to note that the amount shown reflects increases only in the tuition and operating fee category. If services and activities fees are raised a similar percentage by the institutional governing boards, the 1981-83 totals would increase approximately $15 to $33 per year depending on the type of institution.

Recommended Tuition and Fee Policies for 1981-83

Higher education literature abounds with discussions of tuition and fee policy. Extensive studies have been conducted by such groups as the Carnegie Commission, the Committee for Economic Development, and the Academy for Educational Development, as well as many state coordinating and governing boards. Economists and higher education authorities have addressed the question in many articles and monographs. Some make the case that higher education is a pure public good and should be free of charge. Others

TABLE I

Academic Year Tuition and Fee Levels*
1982-83 Compared to Current Rates
as Calculated Under RCW 28B.15.075

Category	Academic Year Total 1980-81	1982-83	Increase
Doctoral Universities			
- Undergraduate Resident	$ 687	$ 864	$ 177
- Undergraduate Nonresident	2,394	3,117	723
- Graduate Resident	771	975	204
- Graduate Nonresident	2,736	3,567	831
- First Professional Resident	1,029	1,311	282
- First Professional Nonresident	3,759	4,917	1,158
Regional Universities/TESC			
- Undergraduate Resident	$ 618	$ 759	$ 141
- Undergraduate Nonresident	1,983	2,562	579
- Graduate Resident	684	846	162
- Graduate Nonresident	2,256	2,922	666
Community Colleges			
- Resident	$ 306	$ 387	$ 81
- Nonresident	1,188	1,551	363

* Not including any increases in services and activities fees.

contend that the only measurable benefit is in terms of private gain and hence student charges should cover all costs.

As the Council noted in its 1971 report, Tuition and Fee Policies for Public Higher Education, "It can be argued that there are only two rational fee levels -- zero fees or fees set at the full cost of education -- all else being a compromise based on financial factors and/or the going rates charged elsewhere."

The reality, with almost no exceptions, is a mixed system of public financing involving objective or subjective judgments of the extent to which participants should pay for the cost of their education. As Howard Bowen and Paul Servelle point out (as quoted in the Council's 1976 report) "The controversy is basically one of values and judgments. Neither side can overwhelm the other." They add, "Basically the finance of American higher education continues to be a mixed system ... evolved to meet the exigencies of institutions and students and has been a product of the complex cross-currents of American politics."[3]

It has been widely recognized in the United States that an educated citizenry is essential to the process of democracy. This principle has long been reflected in the financing of the public schools of this country where the responsibility for their operation has been placed totally on the public. The extension of this philosophy to postsecondary education

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[3]Bowen, Howard and Servelle, Paul, Who Benefits from Higher Education -- And Who Should Pay? Washington, D.C., ERIC, 1972.

is not as clearcut, however. Following high school, the individual has the opportunity to pursue a number of alternatives: entrance into the job market; military or public service; short-term skill training; or additional education for a variety of reasons related to career objectives and/or personal development. In addition, higher education in America is noted for its dual approach -- comprehensive public institutions and a strong independent sector.

The desire to make higher education widely accessible and to recognize the need for educated and trained personnel was a consideration which led to the Morrill Land Grant Act by Congress in 1862, the enactment of the G.I. Bill following World War II, and increasing federal support of student financial aid programs beginning with the National Defense Education Act of 1958. The commitment to access is included in virtually every planning document dealing with postsecondary education.

At the same time, although the state and, to a lesser extent the federal government, maintain an interest in improving the educational level of citizens, the specific benefits to the individual tend to increase as he or she progresses through a program of post high school education. While there are questions concerning the relative financial benefits, a substantial advantage still accrues to college graduates as compared to the high school graduate. In a recent Sloan Commission report, Kenneth Dietch noted: "On the one hand, the absence of a college degree is, probably more than ever before, a barrier to obtaining one of society's "good" jobs. On the other hand, the job market for college graduates is less favorable than it once was."[4]

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[4]Dietch, Kenneth M., "Financial Aid: A Resource for Improving Educational Opportunities," (Sloan Commission on Government and Higher Education, March, 1978).

One of the more widely quoted critics of earlier estimates of the high return on investment in higher education, Richard Freeman, in his book, The Declining Economic Value of Higher Education, notes the decline in the differential between earning potential for college graduates and nongraduates. According to Freeman, the average salary of a college graduate was 53 percent more than that of a high school graduate in 1968 and fell to "only 35 percent more" in 1973.[5] It is significant to note that even this criticism recognizes that there is an additional private value to a higher education.

Lecht observed also that the prospect of workers being unemployed dramatically decreases as their level of education increases. He noted that the unemployment rates for college graduates twenty-four years of age or over rose from about 2 percent in 1967 to approximately 6 percent in 1975-76. But the rates for high school graduates increased from about 6 percent to between 14 and 16 percent in the same period.[6]

In a report commissioned by the Council in 1972 and prepared by the Academy for Educational Development, the chapter on higher education benefits is summarized as follows:

"1. There clearly are societal benefits to some of the activities carried on in colleges and universities and directed toward public purposes: Research, service, preservation of knowledge. All would agree as well that there are societal benefits in the instructional function. But there is no agreement as to whether or how any of these can be quantified.

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[5]Freeman, Richard, The Declining Economic Value of Higher Education, New York, 1978.

[6]Lecht, Leonard, "Grading the College Diploma", Across the College Board, Vol. XIV, April, 1977.

2. There are individual benefits which can be quantified (increased earning power, etc.), as well as others that probably cannot (job and social mobility, acceptability in public life, the consummatory pleasures of college life). Of those benefits that can be quantified, it is apparent that these vary:

   a. By level with increasing earning power at the completion of each successive degree level, on the average; and

   b. By program (physicians tend to earn more than scholars in the humanities)."[7]

The position of the Council for Postsecondary Education, expressed in the current version of the Planning and Policy Recommendations and in subsequent reports, is that students and/or their families should bear a reasonable proportion of the cost of the services provided to them. This position served as the basis for the 1976 recommendations and the action of the 1977 Legislature and is incorporated in the statement of legislative intent. Within the overall context of participants and taxpayers sharing in the cost of higher education, it is necessary to examine the reasonability of the relationships in terms of the higher education environment in Washington and comparisons with other states.

The Washington Pattern of Public Higher Education

Washington has an extensive system of public higher education affording a high degree of access. Council reports on national financial comparisons

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[7] Hind, Robert, et.al., Financing Post-Secondary Education in Washington, Palo Alto, California, 1972.

have continuously indicated a pattern of high population participation, high per capita tax support (effort) and low tax support per student enrolled. Tuition and fee comparisons have, for the past several years, highlighted the fact that amounts charged to Washington resident students are below (and in some cases far below) national averages and medians for similar institutions. Comparison tables are included in Appendix B.

A recent series of preliminary comparisons prepared by Kent Halstead of the National Institute of Education support the above conclusions. Tables from his comparisons are also included in Appendix B. A summary of the findings is worthy of note.

With regard to participation, the Halstead comparisons indicate that while Washington ranks only 43rd in high school graduates per 1,000 population, this state ranks 1st in FTE enrollments in public higher education per high school graduate. On an overall basis, Washington ranks 2nd in FTE students per 1,000 population. This is a pattern of extremely high access to public higher education institutions.

Halstead next compares state and local tax capacity and effort. In terms of these measures, Washington is a median state in tax capacity which makes a slightly greater "tax effort" than the national average and ranks 18th in tax revenues per capita. Overall, the comparisons present a pattern of a slightly better than average tax base.

The next series of tables deal with higher education financing and are summarized as follows:

Measure	Rank
Percentage of tax revenues allocated to higher education	14th
Appropriations per FTE student	41st
Tuition factor (ratio of appropriations plus tuition to appropriations)	41st
Appropriations and tuition revenue per student	49th

These tables confirm the pattern of high per capita effort and extremely low per student support for higher education in Washington.

The picture of Washington public higher education shown by these various comparisons is clear: Easy access and corresponding high enrollment, high per capita tax support, higher than average share of tax funds, low tuition and fees, and very low support per student.

The Economic and Tax Support Outlook

An important element in the environmental circumstances is the economic (and tax support) outlook. Current forecasts indicate a continuation of both price inflation and state revenue shortfalls, with the latter not as severe on the West Coast as in the eastern United States. State revenue estimates for 1981-83 indicate a shortfall of $675 million below amounts required to sustain current operating levels. The outlook for increased real dollar tax support is, therefore, extremely slim. One of the most fruitful avenues to retain support levels is to consider increased tuition and fee charges within the philosophical construct of a "cost sharing" system and to ensure the use of those increased revenues to support higher education priorities.

Comparisons with Other States

In view of the need to consider tuition and fee adjustments, it is important to review the estimated 1981-83 rates associated with the current statement of legislative intent (plus estimated increases in services and activities fees) in the context of comparisons with other states. This is helpful to assess both the reasonableness of the estimated rates and balance among categories and sectors. Table II compares the 1981-83 rates shown in Table I plus a 32 percent increase in services and activities fees* with national and comparison group averages estimated for 1982-83.

Table II indicates that some additional increases in resident rates at the doctoral universities would be reasonable, while the relationship between the doctoral and regional university fees should be examined. Nonresident charges in all categories would be above national averages. They would, however, be below comparison group averages in the four-year institutions with the exception of nonresident graduate students attending regional universities.

Need For Management Flexibility

In addition to the financial, economic, and access factors affecting higher education, the factor of management flexibility should also be taken into account. Particularly in periods of financial stress, it is important that management have the tools to effectively execute its responsibilities.

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* The proportion not pledged to bonded debt.

TABLE II

Comparison of 1982-83 Academic Year Tuition and Fee Levels
as Calculated Under RCW 28B.15.075

Category	Estimated 1982-83 Washington Institutions*	1982-83 Estimated National Averages** (A)	1982-83 Estimated Comparison State Averages** (B)	Washington Percentage Differences From Column: (A)	(B)
Doctoral Universities					
Resident Undergraduate	$ 897	$ 988	$1,194	(10%)	(33%)
Resident Graduate	1,008	1,078	1,488	(7%)	(48%)
Nonresident Undergraduate	3,150	2,686	3,689	15%	(17%)
Nonresident Graduate	3,600	2,670	3,854	26%	(7%)
Regional Universities/TESC					
Resident Undergraduate	$ 786	$ 787	$ 922	0%	(17%)
Resident Graduate	873	847	1,009	3%	(16%)
Nonresident Undergraduate	2,589	2,047	2,628	21%	(2%)
Nonresident Graduate	2,949	1,972	2,530	33%	14%
Community Colleges					
Residents	$ 402	$ 518	$ 496	(29%)	(23%)
Nonresidents	1,566	1,367	1,432	13%	9%

* Amounts from Table I plus services and activities fee increases of $33 at doctoral universities, $27 at regional universities, and $15 at community colleges.

** Based on past annual average percentage increases.

While governing boards are afforded varying degrees of flexibility in most areas, they have virtually none insofar as tuition and fee charges to full-time students are concerned. Washington is one of four states in the nation in which the Legislature specifies the fee structure in the statutes.[8] Even in the case of non-appropriated services and activities fees, the four-year institutions are limited within a standard amount. Washington is also one of a minority of states in which the general student charges are deposited in the State General Fund as general revenue. While public higher education, as other state services, has an obligation to follow executive and legislative policy and be accountable for its actions, the fee deposit requirement has the effect of further obscuring the relationship between tuition and fee policy and service levels and limiting management options.

Tuition and Fee Policy Recommendations

The previous review has identified the context in which the following recommendations are made as finally adopted. These recommendations reflect the direction established by Council discussion in committee meetings of April, June, and August and extensive public debate in October, 1980.

Recommendations Pertaining to the Rate Structure

1. The Council recommends that tuition and operating fees charged to resident undergraduate students at Washington public universities,

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[8] Washington, Texas, New Mexico, and New York. SOURCE: State Tuition and/or Required Fee Policies for Public Postsecondary Institutions, SHEEO/NCES Communications Network, Boulder, Colorado, January, 1979.

state colleges, and community colleges be based on the following factors:

University of Washington Washington State University	Twenty-five percent of the 1979-81 adjusted average operating cost of instruction* for undergraduates at those institutions.
Central Washington University Eastern Washington University Western Washington University The Evergreen State College	Seventy-five percent of the rates calculated for the two doctoral universities.
Community Colleges	Eighteen percent of the 1979-81 adjusted average operating cost of instruction at those institutions.

2. The Council recommends that tuition and operating fees charged to non-resident undergraduate students at Washington public universities, state colleges, and community colleges be based on the following factors:

University of Washington Washington State University	One hundred percent of the 1979-81 adjusted average operating cost of instruction* for undergraduates at those institutions.

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* See Recommendation 4.

Central Washington University Eastern Washington University Western Washington University The Evergreen State College	Seventy-five percent of the rates calculated for the two doctoral universities.
Community Colleges	One hundred percent of the 1979-81 adjusted average operating cost of instruction at those institutions.

3. The Council recommends that tuition and operating fees for graduate students be calculated at 120 percent of undergraduate charges. Tuition and operating fees for students enrolled in programs leading to MD, DDS, and DVM degrees should continue to be set at 160 percent of undergraduate charges pending a complete review of medical, dental, and veterinary medicine tuition and fee charges and their relationship to supply and demand factors, student aid programs, and multi-state programs. Such a review shall be conducted by the Council in 1981-82.

4. The Council recommends that the cost base for calculating the operating cost of instruction be adjusted to insure inclusion of all state funds budgeted for regular academic and vocational instruction.

5. The Council recommends that a phasing in approach be adopted for 1981-83 adjustments in which three-fourths of the increases would be instituted in 1981-82 and the remaining portion in 1982-83.

6. The Council recommends that boards of regents and trustees be authorized to increase services and activities fees by up to the same percentage as tuition and operating fees are increased; PROVIDED, That (1) the percentage increase should not, however, be applied to the portion of services and activities fees committed to repayment of bonded debt; and (2) the non-bonded portion for the regional universities and The Evergreen State College should be determined solely on the average of the three regional universities; and (3) such increases to be considered by boards only if requested by recognized student government groups.

Discussion of Recommendations

The six preceding recommendations are interrelated and, while not necessarily dependent on one another, form a package of adjustments. Table III outlines the effect of the recommendations if fully implemented in the 1981-83 biennium. Table IV compares those amounts with projected national and comparison state averages and Table V provides a breakdown of the effect of the recommendations by fee category.

The first series of recommendations deals with the basic tuition and fee structure and, although the approach is similar, reflects several important differences from the current statement of legislative intent and the bases on which tuition and fees were last adjusted. Table VI summarizes the similarities and differences.

The relationship to the cost of instruction, urged by the Council since 1976, is retained and, in the case of the community colleges, has been strengthened. The recommendations also provide a better balance of Washington rates with national and comparison state averages.

TABLE III

Total Academic Year Tuition and Fee Adjustment Phase-In
as Reflected in Council Recommendations 1-6*

Category	1980-81	1981-82	Increase	1982-83	Increase
Doctoral Universities					
Resident Undergraduate	$ 687	$ 879	$ 192	$ 942	$ 63
Resident Graduate	771	1,017	246	1,098	81
Resident MD/DDS/DVM	1,029	1,314	285	1,410	96
Nonresident Undergraduate	2,394	3,060	666	3,282	222
Nonresident Graduate	2,736	3,615	879	3,906	291
Nonresident MD/DDS/DVM	3,759	4,806	1,047	5,154	348
Regional Universities/TESC					
Resident Undergraduate	$ 618	$ 735	$ 117	$ 774	$ 39
Resident Graduate	684	840	156	891	51
Nonresident Undergraduate	1,983	2,394	411	2,529	135
Nonresident Graduate	2,256	2,811	555	2,997	186
Community Colleges					
Resident	$ 306	$ 396	$ 90	$ 426	$ 30
Nonresident	1,188	1,833	645	2,046	213

* Includes maximum authorized optional Services and Activities fee increases.

TABLE IV

Comparison of Total Academic Year Tuition and Fee Rates
as Reflected in Council Recommendations 1-6
In Council Recommendations 1 - 6

Category	Estimated 1982-83 Washington Institutions*	1982-83 Estimated National Averages** (A)	1982-83 Estimated Comparison State Averages** (B)	Washington Percentage Differences From Column: (A)	(B)
Doctoral Universities					
Resident Undergraduate	$ 942	$ 988	$1,194	(5%)	(27%)
Resident Graduate	1,098	1,078	1,488	2%	(36%)
Nonresident Undergraduate	3,282	2,686	3,689	18%	(12%)
Nonresident Graduate	3,906	2,670	3,854	32%	1%
Regional Universities/TESC					
Resident Undergraduate	$ 774	$ 787	$ 922	(2%)	(19%)
Resident Graduate	891	847	1,009	5%	(13%)
Nonresident Undergraduate	2,529	2,047	2,628	19%	(4%)
Nonresident Graduate	2,997	1,972	2,530	34%	16%
Community Colleges					
Residents	$ 426	$ 518	$ 496	(22%)	(16%)
Nonresidents	2,046	1,367	1,432	33%	30%

* These totals include services and activities fee increases of $45 at doctoral universities, $27 at regional universities, and $21 at community colleges over the current charges of $117, $162, and $51 respectively.

** Based on past annual average percentage increases.

TABLE V

Distribution of Academic Year Student Charges

Category	Tuition			Operating Fee			Services & Activities Fee*			Totals		
	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83
Doctoral Universities												
Resident Undergraduate	$ 117	$ 117	$ 117	$ 453	$ 612	$ 663	$ 117	$ 150	$ 162	$ 687	$ 879	$ 942
Resident Graduate	117	117	117	537	750	819	117	150	162	771	1,017	1,098
Resident MD/DDS/DVM	333	333	333	579	831	965	117	150	162	1,029	1,314	1,410
Nonresident Undergraduate	345	345	345	1,932	2,565	2,775	117	150	162	2,394	3,060	3,282
Nonresident Graduate	345	345	345	2,274	3,120	3,399	117	150	162	2,736	3,615	3,906
Nonresident MD/DDS/DVM	543	543	543	3,099	4,113	4,449	117	150	162	3,759	4,806	5,154
Regional Universities/TESC												
Resident Undergraduate	$ 75	$ 75	$ 75	$ 381	$ 477	$ 510	$ 162	$ 183	$ 189	$ 618	$ 735	$ 774
Resident Graduate	75	75	75	447	582	627	162	183	189	684	840	891
Nonresident Undergraduate	288	288	288	1,533	1,923	2,052	162	183	189	1,983	2,394	2,529
Nonresident Graduate	288	288	288	1,806	2,340	2,520	162	183	189	2,256	2,811	2,997
Community Colleges												
Residents	$124.50	$124.50	$124.50	$130.50	$205.50	$229.50	$ 51	$ 66	$ 72	$ 306	$ 396	$ 426
Nonresidents	394.50	394.50	394.50	742.50	1,372.50	1,579.50	51	66	72	1,188	1,833	2,046

* Services and Activities Fee increases would be authorized but would take place only if requested by students and approved by governing boards.

TABLE VI

Comparison of Council Recommendations
With Basis of 1977 Tuition and Fee Adjustments

Student Category/ Institutional Type	1977-79 Calculation Basis	1981-83 Council Recommendations
Undergraduate Resident		
UW/WSU	25% of "operating cost of instrution	Same, except cost base adjusted
Regional Universities	80% of UW/WSU rates	75% of UW/WSU rates (as adjusted)
Community Colleges	45% of UW/WSU rates	18% of CC cost of instruction
Undergraduate Nonresident		
UW/WSU	100% of "operating cost of instruction"	Same, except cost base adjusted
Regional Universities	80% of UW/WSU rates	75% of UW/WSU rates (as adjusted)
Community Colleges	50% of UW/WSU rates	100% of CC costs of instruction
Graduate Residents and Nonresidents		
All Four-Year Institutions	115% of appropriate undergraduate student rates	120% of appropriate undergraduate student rates
MD/DDS/DVM Residents and Nonresidents		
UW/WSU	160% of appropriate undergraduate student rates	Same, pending completion of study

Part of this balance has been achieved by Recommendation 4 which urges that all state funds budgeted for regular instruction be included in the cost base. The cost base which has been used in the past by the Council (and was approved by the Higher Education Committees of the House and Senate) has excluded funds budgeted for instruction, but which were actually used to match research grants and for public service assignments.

During the committee review of the cost base criteria, Senator Shinpoch raised a question as to whether this exclusion was contradictory to the intent of the Legislature in budgeting funds for instructional purposes. The staff was subsequently directed to determine these additional costs as an alternative base for tuition and fee purposes.

The figures shown in Table 3 in Appendix A indicate that if all state funds budgeted for regular instruction* at the University of Washington and Washington State University are included in the cost base, the "instructional cost per student" estimated for 1979-81 will increase by $119. Use of the adjusted base, therefore, results in a tuition and operating fee recommendation for the two institutions which is $33 per year higher than if the previous cost base were used. The recommendation reduces the extent to which tuition and fees at the University of Washington and Washington State University will be below national and comparison state averages.

The regional universities have contended that the 80 percent relationship to doctoral university tuition and operating fee rates was too high and did not reflect national and comparison state differences. This concern is borne out by the findings in Table II.

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* Program 1.1.

One alternative approach to achieve a better balance which was considered was the use of regional university costs to determine regional university tuition and operating fees. In 1976 the Council had recommended this approach and had suggested a 20 percent relationship. The Legislature decided to tie regional university charges to those of doctoral universities since experience had indicated that the regional universities and The Evergreen State College were subject to greater enrollment fluctuations than the doctoral institutions. It was feared that if enrollments at regional institutions declined, per student costs could increase artificially and result in abnormal tuition and fee increases, further discouraging enrollment.

In view of this concern and since there is a great deal of similarity in budgeting treatment among the four-year institutions, the other alternative considered (and recommended) was to change the percentage relationship to doctoral university fees. Retention of the 80 percent factor would result in resident undergraduate rates higher than projected national averages. The recommendation produces a result more in balance with national averages and reflects rates slightly less than 20 percent of estimated regional university costs.

The community colleges have argued that their enrollment demand and differences in budgetary treatment from the four-year schools suggest that their own costs be used to calculate their tuition and operating fees. The Council recommendation supports this viewpoint and suggests an 18 percent relationship to costs. The 18 percent figure was selected based on recent results of a National College and University Business Officers survey of

community college finances. That survey indicated a current relationship of tuition and fees to costs associated with instruction of approximately that amount and is similar to a Carnegie Commission finding of several years ago. While the 18 percent is slightly higher than the 16 2/3 percent recommended by the Council in 1976, the fact that it would be applied to previous biennial costs preserves the past policy of lower than average student charges. Table IV also indicates that Washington community college resident tuition and fees will continue to be substantially (18 to 22 percent) below comparison averages if the recommendation is implemented.

A factor to be considered in community college tuition and fee rates is whether the level of charges will be "at a cost normally within (the student's) economic means" (paraphrased from RCW 28B.50.020). Total tuition and fees established in 1967 by the community colleges immediately after passage of the community college act were $210 per academic year. Since that time, the U.S. Consumer Price Index has increased two and one-half times and is estimated to be three times that of 1967 by 1983. Over the same period, wage rates have tended to keep pace with inflation with some modest variations between years and employment categories. Federally mandated minimum wage rates have also increased two and one-half times since 1967.

The recommended 1982-83 tuition and fee levels for community colleges total $426 per academic year. This would be just over two times the rate in effect immediately after passage of the Community College Act and actually a lower "real dollar" amount than the 1967 rate. In view of the economic factors

cited above and the substantial increases in available student financial aid since the late 1960's, it is clear that the tuition and fee amounts resulting from the recommendation meet the test of being "normally within the student's economic means."

The use of the separate cost base for community colleges dictates the need for a position on community college nonresident rates. In 1977, doctoral university charges in this category were computed on the basis of 100 percent of costs. In view of the local orientation of community colleges and the recommended changes in residency requirements incorporated in the Tuition and Fee Waiver Report, a 100 percent relationship to cost is also recommended for these institutions. Continued efforts to promote reciprocity should help to meet the needs of nonresidents in localities near the border.

In view of the substantially higher costs of graduate education, a slight increase in the relationship to undergraduate charges is recommended. This will move graduate resident tuition and fee levels to a position slightly higher than national averages, but still well below those estimated for the seven comparison states.

The professional categories (MD, DDS, and DVM programs) pose a different problem. Comparisons recently obtained by Council staff (see Appendix B, Pages 17 through 19) indicate that the current 160 percent differential is similar to national means for veterinary medicine. It is well below national averages for medicine and dentistry, however. The per student costs in these programs, according to a report to the Western Interstate Commission for Higher Education, exceed $12,000 per year. Current tuition and operating fees, therefore, offset less than 10 percent of program costs.

Three factors have a bearing on the recommendation to continue the existing relationship pending further study: There has been a tradition of similarity in charges between the medical/dental and veterinary programs; there is a need to assure access to these programs for low income, minority, and non-traditional students; and there appear to be substantial differences in earning power in the three professions. The Council believes that an in-depth study of supply and demand factors and opportunities for access should be conducted and these factors should be carefully considered before significant changes are made.

Recommendation 5 suggests a phase-in approach for 1981-83 wherein 3/4 of the increase would be assessed in 1981-82. These are approximately the amounts which would have been in effect that year if an annual adjustment approach had been instituted in 1977.

Recommendation 6 is a reaffirmation of the Council's 1978 position that student services and activities fees be set by boards of regents or trustees within limits which would increase in proportion to increases in the cost of instruction. It also suggests that the increases be applied only to the average non-bonded portion of services and activities fees for the three types of institutions since these are fixed costs not subject to inflation. The Evergreen State College should be excluded from the calculation base for regional universities due to the absence of bonded services and activity fee debt at that institution. After considering student testimony, the Council concluded that students on each campus should have a major role in this process and recommended that increases should only be considered on request of recognized student government groups.

Recommendations on Use of Income and Adjustment Process

The following five recommendations deal with the use of tuition and fee income and the process by which tuition and fee amounts are set.

7. The Council recommends that there be a clear and unmistakable relationship between the tuition and fees paid by students and the services which are, in part, financed by those fees. To this end, it recommends that additional revenues resulting from 1981-83 increases be used to maintain or augment higher education operations.

8. To support the principle outlined in Recommendation 7 in both 1981-83 and subsequent years, the Council recommends that operating fee receipts be returned to local fund status. In recognition of the need for sufficient accountability and disclosure, these receipts should be maintained in separate local funds and not be commingled with other local receipts and should be used to support the current operating budget. In addition, the Council endorses legislation necessary to ensure proper budgetary oversight and appropriate allotment controls over these funds.

9. The Council recommends that the increases in revenue for 1981-83 accrue solely to the operating fee to be used to maintain or improve current service levels and consequently that no increases be authorized in the general tuition category since general obligation bond financing is available for critically needed capital projects.

10. The Council recommends that the procedures for adjusting tuition and fee rates be modified as follows:

    a. The Legislature delete references to specific dollar amounts in the tuition and fee statutes except to maintain existing limits on the tuition portion and where required by existing bond convenants.

    b. The Legislature enact the proportions outlined in Recommendations 1 - 3 as the basis for calculating estimated operating fee income for each year to be used in determining the appropriations for institutions of higher education and the community college system.

    c. The Legislature authorize the respective boards of regentsand trustees, subject, in the case of the community colleges, to State Board for Community College Education guidelines, full authority to set operating fee rates within plus or minus ten percent of the rates calculated for use in developing appropriation levels.

11. The Council recommends that, like the four-year colleges and universities, the community colleges be authorized to bond against student services and activities fees for construction of student unions and similar facilities after appropriate consultation with student government groups as required by law.

Discussion of Recommendations

Recommendation 7 is in many ways a statement of principle that the

receipts from tuition and fee charges be used for the benefit of higher education. With the treatment of operating fee income as a general treasury revenue since 1977, the relationship between fees paid and benefits received has become hazy.

For example: Excess community college operating fee income in 1979-80 was not appropriated back to the system. In 1979-81, the one and one-half percent and one percent biennial budget cuts have been applied to all General Fund appropriations for higher education without regard to the fact that a share of those funds was student operating fees. Also, the target budget for 1981-83 assumes a tuition and fee increase but does not proportionately offset the impact on higher education.

Tuition and fees are user charges, not a "tax". A sound rationale exists for linking the price to the cost if the revenues are clearly related to the service which is being supported. That rationale is far less clear if the revenues are diffused among all state services. Additional revenues accruing from increased fees are needed to maintain higher education services in the years ahead and should be used for that purpose.

To support the above principle, the Council recommends that operating fee receipts be returned to "local fund" status. The Council recognizes that it would be possible to establish restricted treasury funds for each four-year institution and the community college system. This is similar to the approach now used for the tuition category, would accomplish the objective of clear identification, and would restrict receipts to higher education purposes. It would not, however, enhance management options to the same degree, nor would it provide any marginal funding for enrollment deviations.

Returning operating fee receipts to the "general local fund" of institutions was also considered. This approach has the advantages of ensuring that revenues would be used for higher education and offers additional management flexibility. It has the disadvantage, however, of potentially lessened control and accountability since operating fee revenues would be commingled with other local receipts.

Recommendation 8 proposes that separate local funds be established for operating fee revenues. In view of the need for sufficient disclosure and accountability, these local funds would consist only of operating fee revenues pledged to support the current operating budget. Revenues would, therefore, be clearly identified and expenditures would be subject to allotment controls. Fee income generated for the operating budget would have to be expended on a "first dollar" basis. The LEAP revenue model, linking student fee income to enrollment contracts, should assure revenue estimates which are consistent with budget assumptions. The pre-1977 problems should, therefore, be eliminated and the objectives of disclosure, identification, flexibility, and use for higher education purposes would be enhanced. Figure 2 provides a comparison of the treatment of operating fee income prior to 1977, as currently specified by law, and as would be the case if Recommendation 8 is adopted by the Legislature.

The other alternative, deposit of operating fee income in restricted accounts within the state treasury, would require specific legislative appropriations of estimated revenues. In addition, funds might or might not be included in across-the-board general fund reductions. The major disadvantages of this option are: the requirement for specific appropriations of any

FIGURE 2

Treatment of Operating Fee Income

	Pre - 1977	1977 - Present	Proposed
1.	Deposited in General Local Fund	Deposited in General Fund	Deposited in Special Local Fund
2.	Included in budget	Included in budget	Included in budget
3.	Neither appropriations nor allotment required	Appropriation and allotment required	Appropriation not required, allotment required
4.	Not directly subject to allotment reporting	Subject to allotment reporting	Subject to allotment reporting
5.	Accuracy of income estimates varied	Income estimates tied to enrollment through LEAP model	Income estimates tied to enrollment through LEAP model
6.	Fund balances called into question	Not at issue	"First dollar" expenditure pattern required unless funds associated with optional local fee increase
7.	Able to transfer funds to restricted accounts	Not possible	Funds limited to operating budget purposes
8.	Funds not included in across-the-board general fund reductions	Funds included in across-the-board general fund reductions	Funds not included in across-the-board general fund reductions

excess income associated with enrollment fluctuations (such as now faces the community college system) and the elimination of potential flexibility for boards of regents and trustees. In addition, the approach outlined in Recommendation 10 would not be possible under this alternative.

Careful consideration was given to the question of whether any increase in tuition and fees in 1980-81 should accrue to the tuition component. Since 1975 the Council has recommended that any increase in tuition and operating fees be devoted exclusively to the operating fee category. This recommendation has supported the financial policy position that operating needs of higher education have a higher priority than new capital construction. A similar financial policy recommendation has been adopted for 1981-83. As a matter of fact, the financial situation facing higher education operating needs in 1981-83 is more critical than it has been in past years. The projected revenue shortfall of $675 million has resulted in cutbacks during the current fiscal year, and target budgets for 1981-83 which reflect a 12 percent reduction in current service levels. In addition, institutional requests exceed those current service levels, basic education funding has been mandated, the state prison system is under court review, and the demands of other state services are likely to increase. The outlook for an increased share of state tax revenue for higher education is bleak.

In the early 1970's, the voters made an additional funding source available for capital construction through the passage of HJR 52. Under this constitutional amendment, the state is authorized to issue general obligation bonds for construction. This source, in conjunction with such

tuition receipts as are available, should be able to meet priority construction needs without requiring diversion of funds which would otherwise be available for higher education operating needs. The fee breakdown shown in Table V reflects the Council's 1981-83 emphasis on providing funds for operating purposes rather than new construction.

A question was raised at the June Council Meeting as to whether community college construction must be limited to the extent to which tuition receipts can support general obligation bonding levels. To the best of the staff's knowledge, there is no legal requirement that community college construction must be limited to the extent of tuition availability. If estimated tuition receipts were found to be insufficient to cover the highest priority capital projects, as indicated by the State Board for Community College Education, funding through direct HJR 52 general obligation bonding should be considered.

Recommendation 10 deals with the method by which tuition and operating fees should be adjusted. In its 1976 tuition and fee recommendations, reiterated in 1978, the Council urged the Legislature to establish a clear statement of policy under which tuition and fee rates would be established. It proposed that biennial adjustments be made based upon those policies to reflect the factors approved by the Legislature, and subject to modification by the next session of the Legislature. This approach, which became known as the "automatic adjustment" feature, stirred considerable controversy. Even though there was a ten-month time lag between the determination of rates and their effective dates during which time there would be a full legislative session, it was successfully argued that the Legislature would lose control of the tuition and fee process.

In considering the question of the method by which tuition and fees should be adjusted, processes employed in other states were again reviewed. In a great majority, boards of regents and trustees are free to set rates without direct involvement of the legislature. In a sizeable minority, (ten states) there is extensive legislative influence over the rate setting process. However, in only four states, including Washington, does the Legislature actually set the specific rate structure. In the opening section of this report, it was noted that particularly in times of financial stress it is important that management have the tools to effectively execute its responsibilities. No discretion currently exists in the tuition and fee areas in view of the process by which tuition and fees are set. In fact the opposite has been true. Recent years have reflected increasing financial constraints yet, at the same time, the tuition and fee setting process has been increasingly centralized. Recommendation 10 is a three part approach designed to accentuate the policy goal of the Legislature, create a specific link to budget policy, and give boards of regents and trustees additional discretion in the area of tuition and fee rates.

Under the proposed approach, the Legislature would enact the proportions set forth in Recommendations 1, 2, and 3 and delete most references to specific dollar amounts. It would direct that those proportions be used as the basis for calculating estimated annual operating fee income to be used in calculating state appropriations requirements. The Legislature would authorize the respective governing boards, subject in the case of community colleges to State Board guidelines, to set operating fee rates

within a range of plus and minus ten percent of those appropriation assumptions. Boards would, therefore, be free: (1) to set lower rates than were assumed in the budget if they felt such action to be in the institution's best interest; (2) to base the rates on budgeted assumptions; or (3) to increase rates within the ten percent range to augment program operations. In order to insure no long-term appropriations impact of such changes, there would need to be a clear accounting of uses of the increased revenue and prior agreement by the Office of Financial Management to allot the funds and by the institution to not seek tax funds to maintain any service levels created by the use of such revenue. Decisions to set fees at different levels than assumed in the budget would not affect the calculation of future tuition and operating fee rate assumptions, since these would continue to be based on budget assumptions.

The final recommendation in this category suggests that community colleges be authorized to bond against services and activities fees for construction of student unions and similar facilities. The four-year institutions have long had this authority (RCW 28B.10.300), but community colleges have not. Spaces for recreation, student government, bookstores and lounge areas have had to be incorporated into general purpose structures built from state funds and backed, directly or indirectly, by tuition receipts.

In 1980, the Legislature enacted Chapter 80, Laws of 1980, which more closely involves students in the use of services and activities receipts. Section 1, says in part, "It is the intent of the Legislature

that students will propose initial budgetary recommendations for consideration of the college or university administration to the extent that such budget recommendations are intended to be funded by services and activities fees." Section 2 establishes processes that allow a high degree of student consultation in decision making. In view of the fact that the four-year institutions already have this authority (RCW 28B.10.300), along with the new provision for extensive student involvement in any long-term commitments, extension of this bonding authority to local boards of trustees for the construction of student unions and similar facilities is recommended.

Recommendations Pertaining to Part-Time Students

At the present time, the various boards of regents and trustees have unlimited flexibility in setting tuition and fee rates for part-time students. In the case of the community colleges this authority is subject to rules and regulations of the State Board for Community College Education. Findings and recommendations in the Council staff report, Policy Recommendations on Tuition and Fee Waivers and Residency Requirements, August 1980, indicate a need for certain recommendations in the area of part-time student charges.

12. In view of Council recommendations for changes in the definition of residency for tuition and fee purposes, the Council recommends that part-time students who are not state residents be charged tuition and fees at an appropriate proportion of the recommended nonresident full-time rate.

13. The Council recommends that all part-time students enrolled in on-campus programs be charged an appropriate proportion of recommended tuition and operating fee rates unless such students are otherwise exempted by statute or where minimums are dictated by existing bond covenants.

Recommendation 12 is intended to apply to all part-time students. Recommendation 13 is directed to policies affecting students enrolled part-time in on-campus credit courses in which the credit hours are used as a basis for funding.

Recommendation 13 does not apply to students enrolled in eligible state supported off-campus programs. Specific recommendations for charges in off-campus instruction will be included in the Council's biennial review of off-campus operations and policies to be completed by the beginning of the 1981 Legislature.

The Council's August, 1980 report, Policy Recommendations on Tuition and Fee Waivers and Residency Requirements, recommends basic changes in the criteria for determining residency for tuition and fee purposes. If these recommendations are adopted by the Legislature, independent individuals and their children moving to Washington to establish domicile will be classified as residents in a shorter period of time than at present. The rationale of providing resident rates for part-time students awaiting a change in classification from non-resident to resident status would be without foundation. The only students benefiting from these reduced rates would be those ineligible for resident classification, i.e. those commuting across state lines, foreign students, and dependents of persons residing in other states.

In none of these cases does the Council see the need for special dispensation of tax funds. Dependents of persons residing in other states have not yet established independent domicile, foreign students are eligible for certain waiver programs and must maintain a full course load to retain their visa. The largest group which would be affected by this change would be those commuting across state lines to community colleges and four-year institutions near the border. Reciprocity agreements are the most effective answer to the needs of these individuals. The "one-way street" approach of extending benefits with no assurance of receiving similar benefits for Washington residents is a luxury the state cannot afford in these times of limited financial resources. As is noted in Policy Recommendations on Tuition and Fee Waivers and Residency Requirements, the University of Washington and The Evergreen State College would not be affected by this recommendation since they currently charge non-resident fees to part-time students. All other institutions would be required to adopt similar positions.

The Council's report on tuition and fee waivers also notes (on page 27) that The Evergreen State College has adopted a program under which institutional employees are eligible for reduced part-time rates. Unlike the space-available program authorized by the Legislature for institutional employees, these credits are reported and are part of the funding base. One of the basic themes of the Tuition and Fee Waiver Report is that non need-based waiver programs should be subject to legislative enactment and periodic review. The intent of Recommendation 13 is to assure that part-time rates have general applicability; not to direct the exact proprotions of full-time rates to be used by any institution. Neither is the recommendation

intended to alter existing statutory exemptions or the authority of the State Board for Community College Education to set fees for "ungraded courses, non-credit courses and short courses."

Recommendation for Increased Student Aid

14. The Council recommends that it is imperative that needy students not be deprived of access to higher education due to increases in tuition and fees. It is, therefore, of utmost importance that sufficient student aid funds be appropriated to fully implement the statement of legislative intent to this end as identified in RCW 28B.15.065.

Since the time of its first recommendations on tuition and fees, the Council has been aware of the relationship between tuition and fee policy and student financial aid. In 1971 it was asserted, "that the financial status of any deserving student should not be a bar to his pursuit of a post-high school education." In 1977, the Legislature adopted a Council recommendation as a statement of intent that, "needy students not be deprived of access to higher education due to increases ... in tuition and fees." That statute, RCW 28B.15.065, indicates that added appropriations, equal to 24 percent of any increased revenue, less estimated increases in Basic Educational Opportunity Grants and institutional fee waivers, would be made to offset adverse effects of tuition and fee increases on needy students. (See Appendix C).

Tuition and fees in Washington public institutions are now sufficiently low so that the Basic Grant program will fund approximately one-half of the recommended tuition and fee increase as it applies to needy students.

Subject to congressional appropriations, the reauthorized program (now known as "Pell Grants") will continue to provide at least that level of support for several years to come.

A preliminary estimate of necessary appropriations was included in the Council's 1981-83 budget request. Recommendations 1-5 of this report will produce approximately $51 million in added revenue. The associated student financial aid increases would total over $12.2 million of which $4,326,000 would need to be appropriated specifically for the State Need Grant and State Work Study Programs.

Summary

The direction of the recommendations contained in this report is to produce a fair and equitable approach to tuition and fee policy in Washington public institutions which will: (a) provide funds to support higher education operations; (b) achieve a more reasonable balance among student categories and among types of institutions; and (c) provide increased flexibility to institutions to develop and manage this fiscal resource. The Council urges favorable consideration of these recommendations by the Governor and the Legislature.

APPENDIX A

Detailed Calculations Pertaining to RCW 28B.15.075

and

Detailed Calculations Pertaining to Council Recommendations

TABLE 1

Calculation of 1979-81 Operating Costs of Instruction
Per Full-Time Equivalent Undergraduate Student
University of Washington and Washington State University
RCW 28B.15.075

		1978-79 Actual	1979-81 Budgeted
A.	**Direct Costs**		
1.	Total Academic Instruction (1978-79 Actual and 1979-81 Budgeted)	$ 89,645,997	$196,717,000*
2.	Academic Instruction as reported in the 1978-79 Unit Expenditures Study (UES)	86,661,754	
3.	Relationship: A2 ÷ A1	.967	.967
4.	1979-81 Direct Instructional Costs		$190,225,000
B.	**Indirect Costs**		
1.	"Overhead" - Budget Programs 04, 05, 06, 08, and 09**	$105,570,373	$225,113,000*
2.	Overhead Allocated to Instruction in the 1978-79 UES	56,119,299	
3.	Relationship B2 ÷ B1	.532	.532
4.	1979-81 Indirect Costs		$119,760,000
C.	**Enrollment**		
1.	Average Annual FTE (1978-79 UES) and 1979-81 Contracted Levels	42,181	85,369
D.	**Cost Per Student Calculations - All Levels**		
1.	Direct Cost Per FTE Student (A2 ÷ C1)	$ 2,055	$ 2,228
2.	Indirect Cost Per FTE Student (B2 ÷ C1)	1,330	1,403
3.	Total Cost Per FTE Student - All Levels	$ 3,385	$ 3,631
E.	**Cost Per FTE Undergraduate Student**		
1.	1978-79 Total Cost Per FTE Undergraduate Student from UES	$ 2,795	
2.	Cost Per FTE Undergraduate Student Relationship - All Levels (E1 ÷ D3)	.826	.826
3.	Full Instructional Cost Per FTE Undergraduate Student 1979-81 - Combined Universities		$ 2,999

* These amounts reflect both the 1½ percent biennial reduction mandated by Executive Order and an additional 1 percent biennial reduction now pending.

** 04 - Primary Support; 05 - Libraries; 06 - Student Services; 08 - Administration; and 09 - Plant Operation and Maintenance.

TABLE 2

Calculation of Tuition and Operating Fee Rates
RCW 28B.15.075

Doctoral University Operating Cost of Instruction - (Table 1) - $ 2,999

	Rate Calculation	1981-83 Tuition and Operating Fee Rate*	1979-81 Tuition and Operating Fee Rate	Difference
DOCTORAL UNIVERSITIES				
Resident Rates				
Undergraduate	($2,999 X .25)	$ 747	$ 570	$ 177
Graduate	($747 X 1.15)	858	654	204
Professional	($747 X 1.60)	1,194	912	282
Nonresident Rates				
Undergraduate	(Table 1 rounded)	$3,000	$2,277	$ 723
Graduate	($3,000 X 1.15)	3,450	2,619	831
Professional	($3,000 X 1.60)	4,800	3,642	1,158
REGIONAL UNIVERSITIES				
Resident Rates				
Undergraduate	($747 X .80)	$ 597	$ 456	$ 141
Graduate	($597 X 1.15)	684	522	162
Nonresident Rates				
Undergraduate	($3,000 X .80)	$2,400	$1,821	$ 579
Graduate	($2,400 X 1.15)	2,760	2,094	666
COMMUNITY COLLEGES				
Undergraduate Resident Rates	($747 X .45)	$ 336	$ 255	$ 81
Undergraduate Nonresident Rates	($3,000 X .50)	1,500	1,137	363

* All numbers represent rounding to make the tuition and fee operating fee totals divisible by 3.

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TABLE 3

Calculation of 1979-81 Operating Costs of Instruction
Per Full-Time Equivalent Undergraduate Student
University of Washington and Washington State University
Council for Postsecondary Education Recommendations

		1978-79 Actual	1979-81 Budgeted
A.	**Direct Costs**		
1.	Total Academic Instruction (1978-79 Actual and 1979-81 Budgeted)	$ 89,645,997	$196,717,000*
2.	Total Academic Instruction (1978-79 Actual)	89,645,997	
3.	Relationship: A2 ÷ A1	1.00	1.00
4.	1979-81 Direct Instructional Costs		$190,717,000
B.	**Indirect Costs**		
1.	"Overhead" - Budget Programs 04, 05, 06, 08, and 09**	$105,570,373	$225,113,000*
2.	Overhead Allocated to Instruction in the 1978-79 UES	57,996,127	
3.	Relationship B2 ÷ B1	.549	.549
4.	1979-81 Indirect Costs		$123,587,000
C.	**Enrollment**		
1.	Average Annual FTE (1978-79 UES) and 1979-81 Contracted Levels	42,181	85,369
D.	**Cost Per Student Calculations - All Levels**		
1.	Direct Cost Per FTE Student (A2 ÷ C1)	$ 2,125	$ 2,304
2.	Indirect Cost Per FTE Student (B2 ÷ C1)	1,375	1,448
3.	Total Cost Per FTE Student - All Levels	$ 3,500	$ 3,752
E.	**Cost Per FTE Undergraduate Student**		
1.	1978-79 Total Cost Per FTE Undergraduate Student from UES	$ 2,910	
2.	Cost Per FTE Undergraduate Student Relationship - All Levels (E1 ÷ D3)	.831	.831
3.	Full Instructional Cost Per FTE Undergraduate Student 1979-81 - Combined Universities		$ 3,118

* These amounts reflect both the 1½ percent biennial reduction mandated by Executive Order and an additional 1 percent biennial reduction now pending.

** 04 - Primary Support; 05 - Libraries; 06 - Student Services; 08 - Administration; and 09 - Plant Operation and Maintenance.

TABLE 4

Calculation of 1979-81 Operating Costs of Instruction
Per Full-Time Equivalent Undergraduate Student
Community College System
Council for Postsecondary Education Recommendations

1979-81 Budgeted Levels: $376,631,284*	
Less known and anticipated Budgeted Adjustments (.975)** ($376,631,284 X .975) =	$367,215,502
Less calculated amount for Financial Aid and Community Relation Expenditures. 1978-79 Unit Expenditures Study Factor (.978)*** ($367,215,502 X .978) =	$359,136,761
1979-81 Contracted Enrollment: 182,004	
1979-81 Operating Cost of Instruction ($359,136,761 ÷ 182,004) =	$ 1,974

* The dollar total was obtained from the Office of Financial Management report entitled, "1981-83 Budget Forecast, All Budgeted Operating Expenditures By Agency, Program, Fund, and Sub-Fund." The budgeted level includes total state and local funds for the 1979-81 biennium for the Instruction, Public Service, Primary Support, Libraries, Student Services, Institutional Support, and Plant Operations and Maintenance Programs.

** Reflects both the 1½ percent biennial reduction mandated by Executive Order and an additional 1 percent biennial reduction now pending.

*** Financial Aid Administration and Community Relations expenditures (non-instructional expenditures) are excluded from the operating cost of instruction calculation per the Unit Expenditures Study guidelines.

TABLE 5

Calculation of Tuition and Operating Fee Rates
Council for Postsecondary Education Recommendations

Doctoral University Operating Cost of Instruction - (Table 3) - $ 3,118
Community College Operating Cost of Instruction - (Table 4) - $ 1,974

	Rate Calculation	1982-83 Tuition and Operating Fee Rate*	1979-81 Tuition and Operating Fee Rate	Difference**
DOCTORAL UNIVERSITIES				
Resident Rates				
Undergraduate	($3,118 X .25)	$ 780	$ 570	$ 210
Graduate	($780 X 1.20)	936	654	282
Professional	($780 X 1.60)	1,248	912	336
Nonresident Rates				
Undergraduate	(Table 3 rounded)	$3,120	$2,277	$ 843
Graduate	($3,120 X 1.2)	3,744	2,619	1,125
Professional	($3,120 X 1.6)	4,992	3,642	1,350
REGIONAL UNIVERSITIES				
Resident Rates				
Undergraduate	($780 X .75)	$ 585	$ 456	$ 129
Graduate	($585 X 1.2)	702	522	180
Nonresident Rates				
Undergraduate	($3,120 X .75)	$2,340	$1,821	$ 519
Graduate	($2,340 X 1.20)	2,808	2,094	714
COMMUNITY COLLEGES				
Undergraduate Resident Rates	($1,974 X .18)	$ 354	$ 255	$ 99
Undergraduate Nonresident Rates	(Table 4)	1,974	1,137	837

* All numbers represent rounding to make the tuition and fee operating fee totals divisible by both 2 and 3 at the doctoral universities and by 3 at the other four-year institutions and the community college system. Based on the phase-in recommendation, the initial 1981-82 rates would be somewhat lower.

** Council Recommendations #7 and #9 recommend that the entire rate increase be applied to operating fees and no increase be authorized in the general tuition category.

APPENDIX B

National Comparison Tables

Sources:

Tables I through IX are taken from Resident and Nonresident Undergraduate and Graduate Tuition and/or Required Fees, Council for Postsecondary Education, January 1980. Table IX is a series of comparisons provided to the Council staff by Dr. Kent Halstead of the National Institute for Education. They are as yet unpublished. Tables XI through XIV are compiled from data supplied by the University of Washington and Washington State University.

TABLE I

Universities
Resident Undergraduate Tuition and/or Required Fees

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Alabama	$ 510	$ 510	$ 595	$ 595	$ 645	$ 645	$ 722	$ 765
Alaska	402	472	472	472	472	512	512	522
Arizona	411	411	411	450	450	450	550	550
Arkansas	400	400	400	400	400	460	460	460
Colorado	576	593	638	711	756	800	845	892
Connecticut	655	715	715	799	960	968	968	1178
Delaware	475	585	720	795[1]	978[1]	1008*[1]	988*[1]	988[1]
Florida	570	570	615	683[1]	709[1]	709[1]	709[1]	709[1]
Georgia	519	538	543	615	666	702	702	731
Hawaii	233	223	350	478	478	478	478	478
Idaho	356	380	380	400	430	434	438	474
Iowa	620	620	620	682	682	750	750	830
Kansas	486	544	573	576	578	688	710	716
Kentucky	405	480	480	480	480	550	550	550
Louisiana	320	320	320	330	440	440	552	553
Maine	562	562	587	595	695	805	920	940
Maryland	639	698	698	718	780	784	790	842
Massachusetts	40[illegible]	519	549	591	594	770	829	952
Mississippi	516	516	530	603	703	703	707	879
Missouri	540	540	580	580	644	644	722	768
Montana	471	487	529[2]	539[2]	549[2]	613[2]	613[2]	625
Nebraska	535	535	663[2]	663[2]	726[2]	763[2]	808[2]	858
Nevada	519	519	524	622	622	660	660	660
New Hampshire	1033	983	983	993	1097	1098	1248	1265
New Jersey	665	725	725	725	951	963	996	1043
New Mexico	456	456	456[1]	456[1]	520[1]	520[1]	576[1]	624
New York	815	825	825[1]	825[1]	875[1]	892[1]	892[1]	1005
North Carolina	422	449	453	468	478	524	529	576
North Dakota	456	456	467	528	528	545	545	645
Ohio	750	750	780	810	835	915	975	1005
Oklahoma	445	445	445	470	538	541	541	541
Pennsylvania	885	900	960	1084	1149	1263	1368	1485
Rhode Island	761	764	796	895	954	974	1052	1132
South Carolina	570	570	584	654	662	732	732	807
South Dakota	500	553	584	625	647	653	704	712
Tennessee	399	399	417[2]	453[2]	495[2]	495[2]	510[2]	558[2]
Texas	267	322	342[2]	354[2]	374[2]	378[2]	378[2]	420[2]
Utah	480	480	480	525	525	545	641	690
Vermont	1086	1088	1096	1100	1348	1348	1452	1662
Virginia	597	622	644	694	734	804	849	914
West Virginia	292	310	319	373	403	403	459	482
Wyoming	410	410	410	411	434	434	434	434
Seven Comparison States								
California	$ 644	$ 644	$ 644	$ 648	$ 648	$ 710	$ 731	$ 731
Illinois	686	686	690	700	712	814	846	926
Indiana	650	682	722	722[1]	722[1]	810[1]	870[1]	938
Michigan	696	852	855[1]	904[1]	986[1]	1078[1]	1244[1]	1373[1]
Minnesota	641	683	714	752	819	927	994	1060
Oregon	534	540	573	648	739	740	789	860
Wisconsin	558	600	611	630	671	734	812	877
Washington	564	564	564	564	564	660	687	687
7 State Average	638	670	687	715	757	830	898	966
49 State Average	549	571	593	630	679	718	758	810
8 State Rank	(6)	(7)	(8)	(8)	(8)	(8)	(8)	(8)
National Rank	(19)	(23)	(28)	(33)	(33)	(30) (tie with Nevada)	(32)	(33)

[1]Average of lower division and upper division charges.

[2]Reported charges converted to 30 semester credit hours for comparability.

*Mid-year increase in 1977-78, subsequent decrease in 1978-79 back to fall 1976.

TABLE II

Universities
Nonresident Undergraduate Tuition and/or Required Fees

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Alabama	$ 1020	$ 1020	$ 1190	$ 1190	$ 1275	$ 1275	$ 1544	$ 1629
Alaska	1002	1072	1072	1072	1072	1112	1112	1122
Arizona	1301	1301	1401	1640	1640	1640	2100	2100
Arkansas	930	930	930	930	930	1090	1090	1090
Colorado	1895	1959	2070	2303	2488	2642	2845	3250
Connecticut	1555	1715	1715	1849	1650	1658	2208	2518
Delaware	1350	1560	1780	1930[1]	2113[1]	2161[1]	2248[1]	2248[1]
Florida	1620	1620	1695	1920[1]	2014[1]	2014[1]	2014[1]	2014[1]
Georgia	1239	1258	1263	1479	1617	1653	1653	1781
Hawaii	743	733	833	1153	1153	1153	1153	1153
Idaho	1156	1380	1380	1400	1630	1634	1638	1974
Iowa	1250	1350	1450	1550	1550	1710	1710	1890
Kansas	1076	1334	1363	1366	1368	1678	1700	1706
Kentucky	1120	1210	1210	1210	1210	1500	1650	1800
Louisiana	950	950	1050	1060	1270	1270	1482	1483
Maine	1662	1662	1762	1770	2070	2283	2501	2733
Maryland	1439	1698	1848	1978	2170	2174	2380	2562
Massachusetts	1069	1319	1349	1391	1799	1839	1854	2477
Mississippi	1116	1116	1130	1303	1454	1478	1507	1704
Missouri	1540	1540	1660	1660	1844	1844	2078	2208
Montana	1318	1387	1501[2]	1511[2]	1521[2]	1981[2]	1981[2]	1993
Nebraska	1261	1261	1571[2]	1571[2]	1746[2]	1753[2]	1964[2]	2088
Nevada	1719	1719	1724	1822	1822	2160	2160	2160
New Hampshire	2234	2233	2283	2683	3087	3348	3598	3815
New Jersey	1240	1310	1310	1310	1711	1721	1721	1875
New Mexico	1284	1285	1285[1]	1284[1]	1516[1]	1516[1]	1711[1]	1867
New York	1278	1288	1288[1]	1288[1]	1400[1]	1417[1]	1417[1]	1605
North Carolina	1772	1997	1997	2112	2122	2234	2239	2286
North Dakota	1184	1184	1195	1256	1256	1313	1313	1413
Ohio	1800	1800	1830	1860	1885	2025	2160	2280
Oklahoma	1225	1225	1225	1250	1460	1471	1471	1471
Pennsylvania	1986	2100	2160	2693	2403	2643	2748	2982
Rhode Island	1661	1664	1696	1935	2099	2119	2362	2769
South Carolina	1280	1280	1294	1414	1414	1692	1692	1842
South Dakota	1076	1249	1277	1277	1352	1358	1409	1514
Tennessee	1119	1209	1269[2]	1305[2]	1395[2]	1431[2]	1446[2]	1560[2]
Texas	1347	1458	1422[2]	1434[2]	1454[2]	1458[2]	1458[2]	1506[2]
Utah	1155	1155	1245	1335	1380	1420	1662	1809
Vermont	2536	2788	2796	2930	3378	3638	3887	4312
Virginia	1372	1447	1552	1619	1819	1939	2024	2159
West Virginia	1122	1140	1249	1353	1383	1383	1479	1502
Wyoming	1376	1376	1376	1377	1400	1400	1720	1720
Seven Comparison States								
California	$ 2144	$ 2144	$ 2144	$ 2148	$ 2543	$ 2615	$ 2636	$ 3131
Illinois	1676	1676	1680	1690	1702	1986	2018	2194
Indiana	1490	1560	1640	1640[1]	1640[1]	1980[1]	2100[1]	2238[1]
Michigan	2260	2700	2703[1]	2862[1]	3135[1]	3350[1]	3604[1]	3873[1]
Minnesota	1547	1620	1677	2017	2064	2337	2496	2584
Oregon	1593	1722	1833	2109	2332	2489	2637	2984
Wisconsin	1906	1956	2055	2206	2423	2684	2946	3176
Washington	1581	1581	1581	1581	1581	2394	2394	2394
7 State Average	1802	1911	1962	2096	2263	2492	2634	2883
49 State Average	1428	1503	1560	1662	1779	1891	2011	2166
8 State Rank	(6)	(7)	(8)	(8)	(8)	(5)	(6)	(6)
National Rank	(16)	(19)	(22)	(24)	(29)	(9)	(11)	(15)

[1]Average of lower division and upper division charges.

[2]Reported charges converted to 30 semester credit hours for comparability.

TABLE III

Universities
Resident Graduate Tuition and/or Required Fees

State	1977-78	1978-79	1979-80	1979-80 Differential Graduate/Undergraduate
Alabama	$ 668	$ 772	$ 764	0
Alaska	672	672	694	+ 172
Arizona	450	550	605	+ 55
Arkansas	460	460	460	0
Colorado	800	845	926	+ 34
Connecticut	984	984	1162	- 14
Delaware	978	978	988	0
Florida*	792	792	792	+ 83
Georgia	702	702	731	0
Hawaii	577	577	577	+ 99
Idaho	534	558	644	+ 170
Iowa	858	858	950	+ 120
Kansas	688	710	716	0
Kentucky	620	620	620	+ 70
Louisiana	440	552	553	0
Maine	910	1050	1070	+ 130
Maryland	960	1040	1140	- 298
Massachusetts	780	895	1025	+ 73
Mississippi	703	707	879	0
Missouri	644	722	840	+ 72
Montana	613	613	625	0
Nebraska**	N/A	583	714	- 144
Nevada	440	440	440	- 220
New Hamsphire	1098	1248	1210	- 55
New Jersey	1222	1222	1345	+ 302
New Mexico	520	576	624	0
New York	1470	1470	1505	+ 500
North Carolina	520	525	572	- 4
North Dakota	653	653	753	+ 108
Ohio	1110	1185	1275	+ 270
Oklahoma	378	378	378	- 163
Pennsylvania	1347	1452	1581	+ 96
Rhode Island	N/A	1029	1110	- 22
South Carolina	732	732	807	0
South Dakota	N/A	743	826	+ 114
Tennessee	540	540	591	+ 33
Texas	378	378	420	0
Utah	590	634	645	- 45
Vermont	N/A	1164	1418	- 244
Virginia	N/A	909	974	+ 60
West Virginia	N/A	489	512	+ 30
Wyoming	434	434	434	0
Seven Comparison States				
California	$ 770	$ 791	$ 791	+ 60
Illinois	844	876	972	+ 46
Indiana	864	912	968	+ 46
Michigan	1461	1754	1953	+ 580
Minnesota	N/A	1110	1210	+ 150
Oregon	1166	1206	1295	+ 435
Wisconsin	1038	1145	1237	+ 360
Washington	741	768	768	+ 81
7 State Average	Incomplete data	1113	1204	
49 State Average		823	884	
8 State Rank		(8)	(8)	
National Rank		(25)	(28)	

* Based on 36 quarter hours.

** Same charge per credit hour - fewer graduate credits.

TABLE IV

Universities
Nonresident Graduate Tuition and/or Required Fees

State	1977-78	1978-79	1979-80	1979-80 Differential Graduate/Undergraduate
Alabama	$ 1413	$ 1544	$ 1629	0
Alaska	1272	1272	1294	+ 172
Arizona	1640	2100	2310	+ 210
Arkansas	1090	1090	1090	0
Colorado	2642	2845	3388	+ 138
Connecticut	1638	1636	1852	- 666
Delaware	2113	2248	2248	0
Florida*	2232	2232	2232	+ 218
Georgia	1653	1653	1781	0
Hawaii	1402	1402	1402	+ 249
Idaho	1734	1758	2144	+ 170
Iowa	1818	1818	2000	+ 110
Kansas	1678	1700	1706	0
Kentucky	1600	1750	1900	+ 100
Louisiana	840	1052	1053	- 430
Maine	2345	2645	2950	+ 117
Maryland	1660	1940	2040	- 522
Massachusetts	1590	1775	2375	- 102
Mississippi	1478	1507	1704	0
Missouri	1844	2078	2424	+ 216
Montana	1981	1981	1993	0
Nebraska**	N/A	1353	1698	- 390
Nevada	1940	1940	1940	- 220
New Hamsphire	3348	3598	3760	- 55
New Jersey	1702	1702	1871	- 4
New Mexico	1516	1711	1867	0
New York	1870	1870	1905	+ 300
North Carolina	2230	2235	2282	- 4
North Dakota	1421	1421	1521	+ 108
Ohio	2220	2370	2550	+ 270
Oklahoma	1265	1265	1265	- 206
Pennsylvania	2727	2832	3150	+ 168
Rhode Island	N/A	1613	1892	- 877
South Carolina	1692	1692	1842	0
South Dakota	N/A	1268	1493	- 21
Tennessee	1476	1476	1593	+ 33
Texas	1458	1458	1506	0
Utah	1475	1608	1674	- 135
Vermont	N/A	3184	3638	- 674
Virginia	N/A	2024	2159	0
West Virginia	N/A	1529	1552	+ 50
Wyoming	1400	1720	1720	0
Seven Comparison States				
California	$ 2675	$ 2696	$ 3191	+ 60
Illinois	2076	2108	2332	+ 138
Indiana	1968	2160	2312	+ 152
Michigan	3573	3874	4173	+ 300
Minnesota	N/A	2775	2995	+ 411
Oregon	1313	1530	2210	- 774
Wisconsin	3272	3585	3871	+ 695
Washington	2736	2736	2736	+ 342
7 State Average	Incomplete data	2675	3012	
49 State Average		1972	2153	
8 State Rank		(4)	(5)	
National Rank		(8)	(10)	

* Based on 36 quarter hours.

** Same charge per credit hour - fewer graduate credits.

TABLE V

Colleges and State Universities
Resident Undergraduate Tuition and/or Required Fees
(State Averages)

State	Inst.	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Alabama	5	$ 433	$ 451	$ 466	$ 479	$ 532	$ 556	$ 562	$ 658
Arizona	1	304	330	336	380	400	400	500	500
Arkansas	4	405	405	405	405	405	480	481	481
Colorado	5	392	427	457	478	502	540	580	601
Connecticut	3	515	515	576	576	668[1]	679[1]	695[1]	710[1]
Florida	5	570	570	585	653	709[1]	709[1]	709[1]	709[1]
Georgia	8	400	409	422	476	517	529	532	568
Idaho	2	365	366	381	386	388	388	397	466
Iowa	1	600	600	600	630	630	694	694	774
Kansas	4	411	449	460	468	482	589	601	607
Kentucky	5	365	420	420	420	420	480	480	480
Louisiana	7	304	312	347	404	404	460	468	489
Maine	5	446	446	540	628	645	789	919	950
Maryland	6	427	566	611	646	699	771	787	829
Massachusetts	8	317	368	368	502	589	632	641	661
Mississippi	5	436	439	442	472	566	566	599	729[4]
Missouri	5	307	307	325	327	337	361	396	394[4]
Montana	2	439	442	467	471	476	497	497	497
Nebraska	2	424	530	545	550	557	559	607	637
Nevada	1	532	532	532	540	582	720	720	720
New Hampshire	2	720	720	728	736	838	851	967	986
New Jersey	7	637	637	667	667	819	858	858	891
New Mexico	1	333[1]	333[1]	333[1]	333[1]	343[1]	343[1]	356[1]	402
New York	10	765[1]	777[1]	820[1]	820[1]	861[1]	867[1]	895[1]	1005
North Carolina	5	456	473	488	488	488	523	534	545
North Dakota	4	400	405	421	470	473	482	483	589
Ohio	4	754	761	761	788	823	889	930	994
Oklahoma	6	340	343	346	346	407	407	407	408
Pennsylvania	11	722	772	823	884	884	965	1049	1051
Rhode Island	1	490	490	511	605	610	625	674	715
South Carolina	1	410	410	410	410	410	460	500	550
South Dakota	3	460	522	543	592	623	628	693	763
Tennessee	6	365	372	401[2]	440[2]	478[2]	478[2]	478[2]	510[2]
Texas	9	258	286	299[2]	327[2]	327[2]	348[2]	348[2]	373[2]
Utah	1	405	405	432[3]	465	471	522	558	588
Vermont	2	842	842	723[3]	723	723	723	825	1143
Virginia	5	544	575	617	703	720	746	856	903
West Virginia	7	255	262	266	313	321	327	359	365
Seven Comparison States									
California	11	$ 161	$ 161	$ 194	$ 194	$ 195	$ 200	$ 205	$ 209
Illinois	5	586	573	573	579	582	678	704	834
Indiana	2	615	645	720	720	720	795	840	900
Michigan	6	525	545	599	624	727	781	834	901
Minnesota	6	453	458	458	519	545	596	608	675
Oregon	4	518	556	589	650	695	720	767	849
Wisconsin	4	533	5891	6161	654	692	719	761	822
Washington	4	495	495	507	507	507	591	618	618
7 State Average		484	504	535	563	594	641	674	741
45 State Average		465	484	503	533	562	598	630	660
8 State Rank		(6)	(6)	(6)	(7)	(7)	(7)	(6)	(7)
National Rank		(17)	(20)	(22)	(23)	(27)	(24)	(20) (tie with Rhode Island)	(26)

[1]Average of lower division and upper division fees.

[2]Reported charges converted to 30 semester credit hours for comparability.

[3]Vermont decreased resident tuition and fees in 1974-75.

[4]Tuition and fees lowered at Missouri Southern State College.

TABLE VI

Colleges and State Universities
Nonresident Undergraduate Tuition and/or Required Fees
(State Averages)

State	Inst.	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Alabama	5	$ 612	$ 630	$ 5081	$ 564	$ 637	$ 664	$ 668[1]	769[1]
Arizona	1	969	995	1001	1136	1400	1400	1860	1860
Arkansas	4	771	771	771	771	771	887	889	946
Colorado	5	1258	1309	1423	1473	1530	1720	1844	2194
Connecticut	3	1395	1453	1468	1474	1658[2]	1670[2]	1685[2]	1708[2]
Florida	5	1620	1620	1665	1890	2014[2]	2014[2]	2014[2]	2014[2]
Georgia	8	908	956	962	1113	1231	1234	1246	1354
Idaho	2	1210	1211	1326	1331	1333	1333	1497	1866
Iowa	1	1000	1100	1200	1200	1200	1320	1320	1460
Kansas	4	857	1018	1029	1037	1051	1287	1299	1305
Kentucky	5	881	950	950	950	950	1200	1250	1300
Louisiana	7	929	941	973	988	1034	1090	1098	1120
Maine	5	1366	1396	1520	1598	1789	2104	2375	2650
Maryland	6	757	974	1028	1062	1354	1671	1708	1721
Massachusetts	8	653	678	691	948	1297	1377	1455	2283
Mississippi	5	1036	1039	1042	1052	1316	1334	1399	1554[5]
Missouri	5	798	801	805	809	809	825	863	866[5]
Montana	2	1286	1342	1439	1443	1448	1505	1505	1505
Nebraska	2	732	890	905	910	917	919	997	1057
Nevada	1	1732	1732	1764	1764	1782	2220	2220	2220
New Hampshire	2	1553	1553	1661	1936	2188	2251	2567	2636
New Jersey	7	1197	1197	1201	1201	1494	1532	1532	1576
New Mexico	1	900	900	900[2]	900[2]	1051[2]	1051[2]	1164[2]	1287
New York	10	1226	1250	1218[2]	1218[2]	1329[2]	1329[2]	1420[2]	1605
North Carolina	5	2007	2013	2020	2035	2105	2213	2223	2234
North Dakota	4	930	934	958	1007	1010	1043	1044	1150
Ohio	4	1710	1795	1811	1846	1897	1980	2088	2178
Oklahoma	6	835	838	846	846	999	999	999	1000
Pennsylvania	11	1408	1467	1529	1584	1584	1740	1879	1881
Rhode Island	1	1175	1175	1196	1326	1498	1513	1727	2018
South Carolina	1	910	910	910	910	910	960	1000	1100
South Dakota	3	920	1033	1083	1124	1208	1213	1278	1437
Tennessee	6	1067	1167	1245[3]	1292[3]	1403[3]	1403[3]	1403[3]	1512[3]
Texas	9	1335	1353	1381[3]	1402[3]	1402[3]	1429[3]	1429[3]	1473[3]
Utah	1	810	810	882	951	957	1084	1176	1398
Vermont	2	1972	1972	1972	2063	2150	2150	2405	2723
Virginia	5	1003	1034	1121	1233	1260	1286	1448	1497
West Virginia	7	1012	1019	1123	1219	1228	1234	1306	1312
Seven Comparison States									
California	11	$ 1268	$ 1272	$ 1451	$ 1488	$ 1493	$ 1766	$ 1915	$ 2009
Illinois	5	1335	1345	1345	1351	1353	1690	1717	1942
Indiana	2	1185	1260	1425	1425	1425	1650	1785	1943
Michigan	6	1265	1310	1461	1568	1715	1827	1940	2094
Minnesota	6	824	824	824	924	962[4]	1046[4]	1081[4]	1181[4]
Oregon	4	1407	1568	1680	1942	1809[4]	1951[4]	2076[4]	2365[4]
Wisconsin	4	1678	1787	1888	2080	2310	2451	2623	2843
Washington	4	1359	1359	1359	1359	1359	1983	1983	1983
7 State Average		1280	1338	1439	1540	1581	1768	1876	2054
45 State Average		1159	1191	1278	1297	1384	1479	1564	1692
8 State Rank		(3)	(3)	(6)	(6)	(7)	(2)	(3)	(5)
National Rank		(12)	(13)	(18)	(18)	(22)	(8)	(10)	(15)

[1]Alabama discontinued nonresident tuition at 3 of the 5 institutions surveyed.

[2]Average of lower division and upper division fees.

[3]Charges based on 30 credit hours per semester for comparability.

[4]Special waiver of nonresident fee to improve enrollment at Eastern Oregon College.

[5]Tuition and fees lowered at Missouri Southern State College.

TABLE VII

Colleges and State Universities
Resident Graduate Tuition and/or Required Fees
(State Averages)

State	1977-78	1978-79	1979-80	1979-80 Differential Graduate/Undergraduate
Alabama	$ 585	$ 643	$ 667	(-75 to +64)
Arizona	400	500	550	(+50)
Arkansas	480	482	480	(-7 to +10)
Colorado	540	580	660	(+23 to +27)
Connecticut	684	684	708	(-5 to 0)
Florida	792	792	792	(+83)
Georgia	529	532	568	0
Idaho	388	397	518	(+50 to +53)
Iowa	726	726	818	(+44)
Kansas	589	601	607	0
Kentucky	550	550	550	(+70)
Louisiana	374	465	484	(0 to -22)
Maine	693	799	819	0
Maryland	898	898	936	(-98 to +217)
Massachusetts	625	646	732	0
Mississippi	566	599	751	(0 to +108)
Missouri	382	397	410	(0 to +130)
Montana	527	527	497	0
Nebraska*	389	437	457	(-180)
Nevada	480	480	480	(-240)
New Hampshire	851	967	1036	(0 to +100)
New Jersey	1034	1041	1073	(+116 to +260)
New Mexico	343	356	402	0
New York	1470	1470	1505	(+500)
North Carolina	539	539	557	(-30 to +36)
North Dakota	597	597	697	(+129)
Ohio	1160	1238	1292	(+150 to +360)
Oklahoma	275	275	275	(-130 to -145)
Pennsylvania	918	1007	1000	(-82 to 0)
Rhode Island	N/A	762	868	(-153)
South Carolina	460	500	550	0
South Dakota	N/A	765	904	(+139)
Tennessee	508	508	550	(+30 to +42)
Texas	348	348	373	0
Utah	N/A	558	588	0
Vermont	600	700	900	(-240 to -250)
Virginia	N/A	788	817	(-391 to 0)
West Virginia	N/A	399	405	(+30)
Seven Comparison States				
California	$ 200	$ 205	$ 209	0
Illinois	693	721	868	(+16 to +46)
Indiana	752	792	888	(-132 to +108)
Michigan	706	755	823	(-68 to -115)
Minnesota	N/A	539	600	(-75)
Oregon	1157	1193	1291	(+435 to +474)
Wisconsin	866	892	999	(+177)
Washington	651	684	684	(+66)
7 State Average	Incomplete data	728	811	
45 State Average		661	710	
8 State Rank		(6)	(6)	
National Rank		(19) (Tie with Connecticut)	(23)	

* Same charge per credit hour - fewer graduate credits.

TABLE VIII

Colleges and State Universities
Nonresident Graduate Tuition and/or Required Fees
(State Averages)

State	1977-78	1978-79	1979-80	1979-80 Differential Graduate/Undergraduate
Alabama	$ 690	$ 749	$ 775	(-75 to +64)
Arizona	1640	1860	2046	(+185)
Arkansas	660	892	890	(-7 to +10)
Colorado	1720	1844	2447	(+94 to +111)
Connecticut	1675	1675	1706	(-5 to 0)
Florida	2232	2232	2232	(+218)
Georgia	1234	1246	1354	0
Idaho	1333	1497	1943	(+53 to +100)
Iowa	1518	1518	1680	(+220)
Kansas	1287	1299	1305	0
Kentucky	1400	1400	1400	(+1,400)
Louisiana	1004	1095	1115	(0 to -22)
Maine	2059	2356	2662	0
Maryland	898	898	936	(-683 to -988)
Massachusetts	1359	1451	2335	0
Mississippi	1344	1399	1576	(0 to +108)
Missouri	748	763	777	(0 to -320)
Montana	1535	1535	1505	0
Nebraska*	619	697	737	(-320)
Nevada	1980	1980	1980	(-240)
New Hampshire	2251	2567	2686	(0 to +100)
New Jersey	1450	1457	1497	(-46 to -149)
New Mexico	1051	1164	1287	0
New York	1870	1870	1905	(+300)
North Carolina	2268	2268	2286	(-50 to +60)
North Dakota	1158	1158	1258	(+129)
Ohio	2165	2283	2364	(-129 to +360)
Oklahoma	807	807	807	(-157 to -211)
Pennsylvania	1693	1836	1000**	(-917 to -830)
Rhode Island	N/A	1014	1228	(-790)
South Carolina	960	1000	1100	0
South Dakota	N/A	1220	1487	(+19)
Tennessee	1433	1433	1551	(+30 and +42)
Texas	1429	1429	1473	0
Utah	N/A	1176	1398	0
Vermont	1760	1920	2100	(-180)
Virginia	N/A	1234	1267	(-600 to 0)
West Virginia	N/A	1419	1425	(+60)
Seven Comparison States				
California	$ 1766	$ 1915	$ 2009	0
Illinois	1741	1769	2042	(+38 to +138)
Indiana	1523	1680	1850	(-294 to +108)
Michigan	1468	1552	1700	(-50 to -660)
Minnesota	N/A	951	1041	(-140)
Oregon	1304	1517	2206	(-774 to +1,389)
Wisconsin	2564	2645	2991	(+148)
Washington	2256	2256	2256	(+273)
7 State Average	Incomplete data	1718	1977	
45 State Average		1504	1630	
8 State Rank		(2)	(2)	
National Rank		(6)	(8)	

* Same charge per credit hour - fewer graduate credits.

** Nonresident fees reduced to resident charges.

TABLE IX

Community Colleges
Resident and Nonresident Tuition and/or Required Fees
(Estimated State Averages)

State	1978-79 Resident	1978-79 Nonresident	1979-80 Resident	1979-80 Nonresident
Alabama	$ 203	$ 203	$ 300	$ 300
Alaska	320[1]	920	360[1]	940
Arizona	146[1]	1594	152[1]	1852
Arkansas	266[1]	602	304[1]	646
Colorado	360	1323	389	1643
Connecticut	354	1054	354	1054
Delaware	514	1018	514	1018
Georgia	363	837	378	942
Hawaii	90	910	90	910
Idaho	370	738	370	738
Indiana	870	1707	750*	1740
Iowa	471	752	471	777
Kansas	450	1000	450	1000
Kentucky	390	1000	390	1000
Louisiana	340	970	340	970
Maine	423	974	426	1025
Maryland	400	800	420	841
Massachusetts	350	1525	456	1516
Minnesota	540	1080	574	1148
Mississippi	280	730	284	774
Missouri	321[1]	994	321[1]	994
Montana	285[1]	735	311[1]	735
Nebraska	372	687	446	674
Nevada	390	1890	390	1890
New Jersey	534	1829	544	1854
New Mexico	180	524	312	1000
North Carolina	117	594	117	594
North Dakota	541	909	590	909
Ohio	495	1010	520	1165
Oklahoma	290	754	295	760
Oregon	381	1520	429	1567
Pennsylvania	593	1935[4]	659	2090[4]
Rhode Island	416	0[4]	444	0[4]
Tennessee	252	1188	270	1272
Utah	482	977	490	1159
Vermont	400	800	500	1000
Virginia	300	1005	300	1005
West Virginia	284	1224	284	1224
Wisconsin	678	2505	746	2767
Wyoming	330	480	590	1344
Six Other "Pacesetter" States				
California	$ 0	$ 1500	$ 0	$ 1500
Florida	375	780	405	840
Illinois	399	2001	471	2080
Michigan	464	729	502	789
New York	722	1394	800	1475
Texas	120	400	120	400
Washington	306	1188	306	1188
6 State Average	347	1134	383	1181
46 State Average	373	1069[4]	405	1153
7 State Rank	(5)	(4)	(5)	(4)
National Rank	(33)	(15) (tie with Tennessee)	(35)	(16)

[1] In district charge.

[4] Rhode Island does not accept nonresident students in its community colleges. It has not been included in the nonresident state average.

*Removed previously required fees.

80

TABLE X

EIGHT FACTORS IN STATE SUPPORT OF HIGHER EDUCATION

1
Resident Student Source
High School Graduates

	High School Grads per 1,000 Population	Index
1. NEW MEXICO	20.3	130
2. KANSAS	19.5	124
3. MINNESOTA	19.3	123
4. SOUTH DAKOTA	19.3	123
5. NORTH DAKOTA	18.7	119
6. NEBRASKA	18.7	119
7. MONTANA	18.7	119
8. MAINE	18.5	118
9. VERMONT	18.4	118
10. TEXAS	18.2	116
11. ALASKA	18.2	116
12. IOWA	17.9	115
13. DELAWARE	17.9	114
14. UTAH	17.7	113
15. MARYLAND	17.2	110
16. PENNSYLVANIA	17.0	109
17. CONNECTICUT	16.9	108
18. WYOMING	16.8	107
19. WISCONSIN	16.7	107
20. HAWAII	16.7	107
21. COLORADO	16.7	107
22. ARIZONA	16.7	106
23. ALABAMA	16.6	106
24. NEW HAMPSHIRE	16.4	105
25. IDAHO	16.2	104
26. MISSOURI	16.1	103
27. WEST VIRGINIA	16.0	102
28. RHODE ISLAND	15.9	102
29. MASSACHUSETTS	15.8	101
30. SOUTH CAROLINA	15.8	101
31. OKLAHOMA	15.8	101
32. KENTUCKY	15.8	101
33. NORTH CAROLINA	15.7	100
34. MICHIGAN	15.6	100
35. NEW YORK	15.5	99
36. ARKANSAS	15.5	99
37. INDIANA	15.2	97
38. NEW JERSEY	15.1	96
39. VIRGINIA	15.1	96
40. OREGON	15.0	96
41. MISSISSIPPI	14.7	94
42. CALIFORNIA	14.0	90
43. WASHINGTON	14.0	89
44. ILLINOIS	13.8	88
45. LOUISIANA	13.6	87
46. FLORIDA	13.4	86
47. TENNESSEE	13.3	85
48. NEVADA	12.9	82
49. GEORGIA	12.7	81
50. D. C.	12.1	77
51. OHIO	11.6	74
. UNITED STATES	15.6	100

1. Resident Student Source. High school graduates (1977-78) per 1,000 population (July 1978). The primary source of entering freshmen at public institutions in the state and therefore the best single starting base for deriving total enrollments. (INPUT factor)

2
College Attendance Ratio

	FTE Public Students per High School Graduate	Index
1. WASHINGTON	3.36	183
2. ARIZONA	2.95	160
3. CALIFORNIA	2.87	156
4. OREGON	2.57	140
5. COLORADO	2.37	129
6. NEVADA	2.24	122
7. OKLAHOMA	2.18	119
8. HAWAII	2.16	117
9. NORTH DAKOTA	2.16	117
10. WISCONSIN	2.14	116
11. MISSISSIPPI	2.13	116
12. MICHIGAN	2.09	114
13. VIRGINIA	2.08	113
14. DELAWARE	2.07	113
15. WYOMING	2.01	109
16. LOUISIANA	1.97	107
17. TENNESSEE	1.95	106
18. ILLINOIS	1.94	105
19. UTAH	1.91	104
20. KANSAS	1.88	102
21. FLORIDA	1.85	101
22. NORTH CAROLINA	1.83	100
23. ALABAMA	1.80	98
24. NEBRASKA	1.77	96
25. TEXAS	1.77	96
26. SOUTH CAROLINA	1.76	96
27. MARYLAND	1.75	95
28. IDAHO	1.72	94
29. WEST VIRGINIA	1.71	93
30. MONTANA	1.70	92
31. NEW MEXICO	1.63	89
32. GEORGIA	1.63	89
33. RHODE ISLAND	1.60	87
34. INDIANA	1.59	86
35. OHIO	1.55	84
36. ARKANSAS	1.54	84
37. KENTUCKY	1.53	83
38. VERMONT	1.53	83
39. SOUTH DAKOTA	1.49	81
40. NEW YORK	1.49	81
41. MINNESOTA	1.48	80
42. IOWA	1.47	80
43. MISSOURI	1.46	79
44. NEW JERSEY	1.46	79
45. NEW HAMPSHIRE	1.36	74
46. MASSACHUSETTS	1.34	73
47. ALASKA	1.26	69
48. CONNECTICUT	1.22	66
49. MAINE	1.17	64
50. PENNSYLVANIA	1.08	59
51. D. C.	0.97	53
. UNITED STATES	1.84	100

2. College Attendance Ratio. Full-time-equivalent enrollment in public institutions of higher education (fall 1979) per high school graduate. This ratio measures the degree to which a state provides attractive and accessable opportunities for higher education to both in-state and out-of-state students relative to the size of its resident student source. (INPUT factor)

Enroll
Student Enrollment Load (1x2)

	FTE Public Students per 1,000 Population	Index
1. ARIZONA	49.1	170
2. WASHINGTON	47.1	163
3. NORTH DAKOTA	40.4	140
4. CALIFORNIA	40.2	139
5. COLORADO	39.6	137
6. OREGON	38.6	134
7. DELAWARE	36.9	128
8. KANSAS	36.7	127
9. HAWAII	36.2	125
10. WISCONSIN	35.7	124
11. OKLAHOMA	34.3	119
12. UTAH	33.9	117
13. WYOMING	33.7	117
14. NEW MEXICO	33.1	114
15. NEBRASKA	33.0	114
16. MICHIGAN	32.7	113
17. TEXAS	32.3	112
18. MONTANA	31.9	110
19. VIRGINIA	31.5	109
20. MISSISSIPPI	31.3	108
21. MARYLAND	30.1	104
22. ALABAMA	29.9	104
23. NEVADA	28.9	100
24. NORTH CAROLINA	28.8	100
25. SOUTH DAKOTA	28.8	100
26. MINNESOTA	28.6	99
27. VERMONT	28.2	98
28. IDAHO	28.0	97
29. SOUTH CAROLINA	27.8	96
30. WEST VIRGINIA	27.3	95
31. ILLINOIS	26.8	93
32. LOUISIANA	26.7	92
33. IOWA	26.3	91
34. TENNESSEE	25.9	90
35. RHODE ISLAND	25.5	88
36. FLORIDA	24.8	86
37. INDIANA	24.2	84
38. KENTUCKY	24.1	84
39. ARKANSAS	23.9	83
40. MISSOURI	23.6	82
41. NEW YORK	23.2	80
42. ALASKA	23.0	80
43. NEW HAMPSHIRE	22.3	77
44. NEW JERSEY	22.1	77
45. MAINE	21.7	75
46. MASSACHUSETTS	21.3	74
47. GEORGIA	20.7	72
48. CONNECTICUT	20.6	71
49. PENNSYLVANIA	18.3	63
50. OHIO	18.0	62
51. D. C.	11.7	41
. UNITED STATES	28.8	100

Enroll Student Enrollment Load. (1 x 2) Full-time-equivalent students in public institutions of higher education per 1,000 population. An approximate load measure for placing revenues for current operating expenses on a per user unit basis since the financing required for administration, plant operation and maintenance, libraries, public service, and experiment stations, etc., are only indirectly

3
Tax Capacity

	Dollars per Capita	Index
1. WYOMING	$1,360.2	155
2. NEVADA	1,342.6	153
3. ALASKA	1,263.7	144
4. DELAWARE	1,079.4	123
5. D. C.	1,035.5	118
6. TEXAS	991.6	113
7. CONNECTICUT	982.8	112
8. ILLINOIS	982.8	112
9. CALIFORNIA	974.1	111
10. COLORADO	947.7	108
11. HAWAII	939.0	107
12. NEW JERSEY	939.0	107
13. LOUISIANA	912.6	104
14. FLORIDA	912.6	104
15. MICHIGAN	912.6	104
16. OKLAHOMA	903.9	103
17. IOWA	903.9	103
18. OHIO	903.9	103
19. NEW HAMPSHIRE	895.1	102
20. KANSAS	895.1	102
21. OREGON	895.1	102
22. MONTANA	886.3	101
23. MARYLAND	877.5	100
24. MINNESOTA	868.8	99
25. INDIANA	868.8	99
26. WASHINGTON	868.8	99
27. NEBRASKA	860.0	98
28. PENNSYLVANIA	860.0	98
29. NEW MEXICO	851.2	97
30. WISCONSIN	842.4	96
31. NEW YORK	833.7	95
32. MISSOURI	824.9	94
33. NORTH DAKOTA	824.9	94
34. ARIZONA	816.1	93
35. MASSACHUSETTS	816.1	93
36. WEST VIRGINIA	816.1	93
37. VERMONT	798.6	91
38. VIRGINIA	789.8	90
39. UTAH	781.0	89
40. IDAHO	772.2	88
41. SOUTH DAKOTA	763.5	87
42. RHODE ISLAND	763.5	87
43. KENTUCKY	763.5	87
44. GEORGIA	745.9	85
45. TENNESSEE	728.4	83
46. NORTH CAROLINA	728.4	83
47. MAINE	719.6	82
48. ARKANSAS	693.3	79
49. ALABAMA	675.7	77
50. SOUTH CAROLINA	675.7	77
51. MISSISSIPPI	605.5	69
. UNITED STATES	877.5	100

3. Tax Capacity. The potential of state and local governments to obtain revenues for public purposes through various kinds of taxes (1978). Measured by a "representative tax system" which defines the tax capacity of a state and its local governments as the amount of revenue they could raise if all 50 state-local systems applied identical tax rates (national averages) to their respective tax bases. (INPUT factor)

Table X - Continued

4
Tax Effort

	Percent	Index
1. NEW YORK	154.8 %	155
2. MASSACHUSETTS	130.9	131
3. CALIFORNIA	123.4	124
4. D. C.	121.9	122
5. WISCONSIN	115.0	115
6. MINNESOTA	114.8	115
7. HAWAII	112.1	112
8. ALASKA	111.8	112
9. RHODE ISLAND	111.4	112
10. ARIZONA	110.1	110
11. MARYLAND	108.3	108
12. NEW JERSEY	105.9	106
13. MAINE	105.2	105
14. MICHIGAN	105.1	105
15. VERMONT	104.7	105
16. WASHINGTON	102.9	103
17. PENNSYLVANIA	100.0	100
18. MISSISSIPPI	97.3	97
19. OREGON	97.0	97
20. VIRGINIA	95.2	95
21. CONNECTICUT	95.2	95
22. NEBRASKA	94.4	95
23. ILLINOIS	93.3	93
24. MONTANA	92.7	93
25. UTAH	92.5	93
26. COLORADO	91.7	92
27. SOUTH CAROLINA	91.5	92
28. IDAHO	90.3	90
29. GEORGIA	90.3	90
30. SOUTH DAKOTA	89.4	90
31. NEW MEXICO	89.3	89
32. KANSAS	89.1	89
33. NORTH CAROLINA	88.3	88
34. IOWA	87.5	88
35. NORTH DAKOTA	87.3	87
36. DELAWARE	87.2	87
37. WYOMING	84.7	85
38. TENNESSEE	84.6	85
39. ALABAMA	84.0	84
40. KENTUCKY	82.7	83
41. WEST VIRGINIA	82.7	83
42. INDIANA	81.1	81
43. ARKANSAS	80.4	81
44. MISSOURI	79.3	79
45. LOUISIANA	78.0	78
46. NEW HAMPSHIRE	74.9	75
47. NEVADA	74.1	74
48. FLORIDA	74.0	74
49. OKLAHOMA	73.9	74
50. TEXAS	67.8	68
51. OHIO	56.5	57
. UNITED STATES	100.0	100

4. Tax effort. State and local tax revenue collected as a percentage of state and local tax capacity (1978). Tax effort measures, as a percentage, how much of state and local government tax capacity is actually used. The tax revenues collected for all states equals total tax capacity nationwide so that the national effort by definition is 100 percent. Effort measures for the individual states indicate how they compare with the national average. (PROCESS factor)

Tax
Tax Revenues (3x4)

	Dollars per Capita	Index
1. ALASKA	$1,413.4	161
2. NEW YORK	1,290.9	147
3. D. C.	1,261.7	144
4. CALIFORNIA	1,202.7	137
5. WYOMING	1,152.9	131
6. MASSACHUSETTS	1,068.4	122
7. HAWAII	1,053.1	120
8. MINNESOTA	997.4	114
9. NEVADA	995.1	113
10. NEW JERSEY	994.7	113
11. WISCONSIN	969.2	110
12. MICHIGAN	959.7	109
13. MARYLAND	950.5	108
14. DELAWARE	941.6	107
15. CONNECTICUT	935.8	107
16. ILLINOIS	917.4	105
17. ARIZONA	899.3	103
18. WASHINGTON	894.3	102
19. COLORADO	870.0	99
20. OREGON	868.9	99
21. PENNSYLVANIA	860.8	98
22. RHODE ISLAND	850.9	97
23. VERMONT	836.8	95
24. MONTANA	822.2	94
25. NEBRASKA	812.2	93
26. KANSAS	798.1	91
27. IOWA	791.6	90
28. NEW MEXICO	760.9	87
29. MAINE	757.1	86
30. VIRGINIA	752.3	86
31. UTAH	722.7	82
32. NORTH DAKOTA	720.2	82
33. LOUISIANA	712.7	81
34. INDIANA	705.1	80
35. IDAHO	697.7	80
36. SOUTH DAKOTA	682.8	78
37. FLORIDA	675.6	77
38. WEST VIRGINIA	675.0	77
39. GEORGIA	673.6	77
40. TEXAS	672.4	77
41. NEW HAMPSHIRE	671.0	77
42. OKLAHOMA	668.8	76
43. MISSOURI	654.8	75
44. NORTH CAROLINA	643.3	73
45. KENTUCKY	632.1	72
46. SOUTH CAROLINA	618.6	71
47. TENNESSEE	616.7	70
48. MISSISSIPPI	589.5	67
49. ALABAMA	568.1	65
50. ARKANSAS	557.8	64
51. OHIO	511.1	58
. UNITED STATES	877.5	100

Tax Tax revenues. (3x4) State and local tax revenue collected per capita (1978). Collected tax revenues represent the wealth available to state and local governments for public use. The index essentially identifies "rich" versus "poor" states according to the size of their current tax income. These designations, however, must be tempered by the fact that some states have far greater social needs than others increasing the competition for funding. Furthermore, other state wealth such as non-tax revenues from government fees and charges for selling certain public services are not included.

5

Allocation to Public Higher Education

	Percent of Tax Revenue	Index
1. ALABAMA	17.7%	170
2. MISSISSIPPI	17.3	166
3. SOUTH CAROLINA	16.4	158
4. NORTH CAROLINA	16.3	157
5. NORTH DAKOTA	15.7	151
6. TEXAS	15.4	148
7. UTAH	15.2	146
8. KANSAS	14.2	137
9. ARKANSAS	14.0	135
10. IDAHO	13.9	134
11. NEW MEXICO	13.9	134
12. OREGON	13.8	133
13. ARIZONA	13.8	133
14. WASHINGTON	13.5	130
15. KENTUCKY	13.5	130
16. IOWA	13.0	125
17. NEBRASKA	12.9	124
18. WEST VIRGINIA	12.6	121
19. HAWAII	12.5	120
20. WYOMING	12.4	119
21. ALASKA	12.4	119
22. OKLAHOMA	12.1	116
23. TENNESSEE	11.9	114
24. LOUISIANA	11.5	111
25. VIRGINIA	11.4	110
26. CALIFORNIA	11.4	110
27. GEORGIA	11.3	109
28. MINNESOTA	11.3	109
29. WISCONSIN	11.1	107
30. INDIANA	10.8	104
31. COLORADO	10.7	103
32. SOUTH DAKOTA	10.5	101
33. MISSOURI	10.4	100
34. FLORIDA	10.3	99
35. MICHIGAN	9.9	95
36. DELAWARE	9.6	92
37. MONTANA	9.5	91
38. ILLINOIS	9.4	90
39. RHODE ISLAND	9.0	87
40. MARYLAND	9.0	87
41. OHIO	9.0	87
42. NEVADA	8.5	82
43. CONNECTICUT	7.2	69
44. PENNSYLVANIA	7.2	69
45. NEW YORK	7.2	69
46. MAINE	6.9	66
47. VERMONT	6.6	64
48. NEW JERSEY	6.0	58
49. D. C.	5.6	54
50. NEW HAMPSHIRE	5.1	49
51. MASSACHUSETTS	5.1	49
. UNITED STATES	10.4	100

5. Allocation to Public Higher Education. State and local tax revenue appropriated or levied for current operating expenses of public higher education (1979-80). This ratio suggests the relative importance of financing public higher education to the funding of other public services in the state and local government budget. The case for greater allocation must be made against competing claims of other public service programs. (PROCESS factor)

App

Appropriations per Student (Tax x 5/enroll)

	Dollars per Student	Index
1. ALASKA	$ 7,686.0	242
2. D. C.	6,065.0	191
3. WYOMING	4,246.0	134
4. NEW YORK	4,049.0	128
5. MINNESOTA	3,960.0	125
6. IOWA	3,915.0	123
7. GEORGIA	3,692.0	116
8. SOUTH CAROLINA	3,652.0	115
9. HAWAII	3,650.0	115
10. NORTH CAROLINA	3,638.0	115
11. KENTUCKY	3,560.0	112
12. IDAHO	3,479.0	110
13. CALIFORNIA	3,418.0	108
14. PENNSYLVANIA	3,399.0	107
15. ALABAMA	3,372.0	106
16. CONNECTICUT	3,298.0	104
17. ARKANSAS	3,283.0	104
18. UTAH	3,261.0	103
19. MISSISSIPPI	3,263.0	103
20. ILLINOIS	3,225.0	102
21. TEXAS	3,216.0	101
22. NEW MEXICO	3,205.0	101
23. NEBRASKA	3,196.0	101
24. INDIANA	3,151.0	99
25. WEST VIRGINIA	3,120.0	98
26. OREGON	3,119.0	98
27. KANSAS	3,102.0	98
28. LOUISIANA	3,085.0	97
29. WISCONSIN	3,029.0	96
30. RHODE ISLAND	3,006.0	95
31. NEVADA	2,955.0	93
32. MICHIGAN	2,921.0	92
33. MISSOURI	2,892.0	91
34. MARYLAND	2,872.0	91
35. TENNESSEE	2,840.0	90
36. FLORIDA	2,813.0	89
37. NORTH DAKOTA	2,807.0	89
38. VIRGINIA	2,726.0	86
39. NEW JERSEY	2,725.0	86
40. OHIO	2,584.0	81
41. WASHINGTON	2,568.0	81
42. MASSACHUSETTS	2,562.0	81
43. ARIZONA	2,543.0	80
44. SOUTH DAKOTA	2,510.0	79
45. MONTANA	2,476.0	78
46. DELAWARE	2,472.0	78
47. MAINE	2,418.0	76
48. OKLAHOMA	2,377.0	75
49. COLORADO	2,356.0	74
50. VERMONT	1,978.0	62
51. NEW HAMPSHIRE	1,535.0	48
. UNITED STATES	3,173.0	100

App Appropriations per Student. (Tax x 5/Enroll) State and local tax revenue appropriated for current operating expenses of public higher education per full-time-equivalent student (1979-80). This measure suggests the financial commitment of state and local governments to support public higher education consistent with available state resources, the role of tuition and other revenue sources, the relative "costliness" of the higher education system, and local price levels. Since these factors will be subsequently introduced, interstate comparisons of this intermediate measure should be avoided.

6
Tuition Factor

	Index
1. VERMONT	234
2. NEW HAMPSHIRE	195
3. DELAWARE	169
4. PENNSYLVANIA	160
5. MAINE	152
6. COLORADO	152
7. OHIO	152
8. MARYLAND	144
9. MICHIGAN	143
10. INDIANA	140
11. VIRGINIA	139
12. NEW JERSEY	135
13. SOUTH DAKOTA	133
14. NEW YORK	133
15. RHODE ISLAND	131
16. WISCONSIN	129
17. TENNESSEE	129
18. OREGON	129
19. MINNESOTA	129
20. MISSISSIPPI	128
21. MISSOURI	126
22. OKLAHOMA	127
23. MONTANA	127
24. ALABAMA	127
25. UTAH	126
26. GEORGIA	126
27. IOWA	126
28. ARIZONA	126
29. KANSAS	126
30. NEVADA	126
31. LOUISIANA	125
32. FLORIDA	125
33. NEBRASKA	125
34. NORTH DAKOTA	125
35. ILLINOIS	125
36. CONNECTICUT	125
37. KENTUCKY	125
38. NEW MEXICO	122
39. MASSACHUSETTS	121
40. ARKANSAS	121
41. WASHINGTON	120
42. NORTH CAROLINA	119
43. SOUTH CAROLINA	119
44. WEST VIRGINIA	116
45. TEXAS	115
46. WYOMING	115
47. HAWAII	114
48. IDAHO	112
49. CALIFORNIA	109
50. ALASKA	109
51. D. C.	106
• UNITED STATES	127

6. Tuition factor. Ratio of state and local government appropriations plus student tuition revenue to state and local government appropriations (1977-78). This immediate past ratio suggests the relative importance of student tuition as a funding source compared to state-local appropriations. A high or low ratio does not necessarily mean high or low tuition since appropriations per student may also be correspondingly high or low. (PROCESS factor)

Rev
Estimated Appropriations and Tuition Revenues per Student

App x 6)	Dollars per Student	Index
1. ALASKA	$ 8,378.0	208
2. D. C.	6,429.0	160
3. PENNSYLVANIA	5,439.0	135
4. NEW YORK	5,386.0	134
5. MINNESOTA	5,108.0	127
6. IOWA	4,932.0	122
7. WYOMING	4,883.0	121
8. GEORGIA	4,652.0	115
9. VERMONT	4,630.0	115
10. KENTUCKY	4,451.0	110
11. INDIANA	4,412.0	110
12. SOUTH CAROLINA	4,346.0	108
13. NORTH CAROLINA	4,330.0	107
14. ALABAMA	4,283.0	106
15. MICHIGAN	4,177.0	104
16. MISSISSIPPI	4,177.0	104
17. DELAWARE	4,177.0	104
18. HAWAII	4,161.0	103
19. MARYLAND	4,136.0	103
20. CONNECTICUT	4,122.0	102
21. UTAH	4,109.0	102
22. ILLINOIS	4,032.0	100
23. OREGON	4,024.0	100
24. NEBRASKA	3,996.0	99
25. ARKANSAS	3,972.0	99
26. RHODE ISLAND	3,938.0	98
27. OHIO	3,928.0	98
28. WISCONSIN	3,908.0	97
29. NEW MEXICO	3,911.0	97
30. KANSAS	3,909.0	97
31. IDAHO	3,897.0	97
32. LOUISIANA	3,856.0	96
33. VIRGINIA	3,790.0	94
34. NEVADA	3,724.0	92
35. CALIFORNIA	3,725.0	92
36. MISSOURI	3,702.0	92
37. TEXAS	3,698.0	92
38. NEW JERSEY	3,679.0	91
39. MAINE	3,676.0	91
40. TENNESSEE	3,664.0	91
41. WEST VIRGINIA	3,620.0	90
42. COLORADO	3,581.0	89
43. FLORIDA	3,516.0	87
44. NORTH DAKOTA	3,509.0	87
45. SOUTH DAKOTA	3,338.0	83
46. ARIZONA	3,204.0	80
47. MONTANA	3,145.0	78
48. MASSACHUSETTS	3,100.0	77
49. WASHINGTON	3,082.0	77
50. OKLAHOMA	3,019.0	75
51. NEW HAMPSHIRE	2,994.0	74
• UNITED STATES	4,030.0	100

Rev Estimated Appropriations and Tuition Revenues per Student. (App x 6) Student tuition payments and state and local tax revenue appropriated for current operating expenses of public higher education per full-time-equivalent student. Tuition and appropriations account for 90 percent of current operating expense revenues which generally exclude government contracts and grants and sales and service revenues.

Table X - Continued

7
System Cost Index

	Index
1. MONTANA	130
2. DELAWARE	129
3. VERMONT	126
4. SOUTH DAKOTA	126
5. NEW MEXICO	125
6. INDIANA	124
7. UTAH	121
8. OHIO	119
9. NORTH DAKOTA	119
10. NEW HAMPSHIRE	118
11. KANSAS	117
12. IOWA	116
13. WYOMING	115
14. MAINE	113
15. HAWAII	112
16. MINNESOTA	111
17. RHODE ISLAND	111
18. WEST VIRGINIA	110
19. KENTUCKY	110
20. NEBRASKA	108
21. OKLAHOMA	107
22. ARIZONA	107
23. COLORADO	106
24. PENNSYLVANIA	106
25. SOUTH CAROLINA	105
26. IDAHO	105
27. NEVADA	105
28. ARKANSAS	104
29. MICHIGAN	104
30. ALABAMA	102
31. LOUISIANA	102
32. OREGON	101
33. TENNESSEE	101
34. TEXAS	101
35. CONNECTICUT	101
36. MARYLAND	99
37. MISSISSIPPI	99
38. GEORGIA	98
39. WASHINGTON	98
40. WISCONSIN	98
41. MISSOURI	98
42. VIRGINIA	96
43. ILLINOIS	96
44. MASSACHUSETTS	96
45. NORTH CAROLINA	96
46. D. C.	94
47. NEW JERSEY	94
48. FLORIDA	94
49. ALASKA	91
50. NEW YORK	88
51. CALIFORNIA	83
UNITED STATES	100

7. System Cost Index. Constructed state and local government appropriations and tuition per student based on application of national average dollar rates by type of institution to state enrollment mix (1977-78). States with a larger proportion of enrollments at universities and four-year colleges, with higher salaried faculty and more extensive program and overhead costs, are inherently more expensive to operate than where enrollments are greater at two-year colleges. The System Cost Index reports the relative average "cost" per student (in terms of required revenues) that a state would incur for its public system if it financed enrollments at each type of institution by the national average appropriations and tuition rate per FTE student. (INPUT factor)

8
Geographical Price Index

	Index	
1. ALASKA	145	
2. HAWAII	120	Est.
3. MICHIGAN	117	
4. DELAWARE	112	
5. NEVADA	107	
6. CALIFORNIA	105	
7. D. C.	105	
8. ILLINOIS	104	
9. NEW YORK	104	
10. MARYLAND	103	
11. NEW JERSEY	102	
12. CONNECTICUT	101	
13. WASHINGTON	101	
14. WEST VIRGINIA	101	
15. MISSOURI	99	
16. OHIO	99	
17. OREGON	99	
18. GEORGIA	98	
19. PENNSYLVANIA	98	
20. WISCONSIN	98	
21. COLORADO	96	
22. KANSAS	96	
23. KENTUCKY	96	
24. MASSACHUSETTS	96	
25. FLORIDA	95	
26. INDIANA	95	
27. NEBRASKA	95	
28. MINNESOTA	94	
29. VIRGINIA	94	
30. IOWA	93	
31. SOUTH DAKOTA	93	
32. TEXAS	93	
33. NEW HAMPSHIRE	92	
34. NORTH DAKOTA	92	
35. UTAH	92	
36. VERMONT	92	
37. WYOMING	92	
38. ALABAMA	91	
39. LOUISIANA	91	
40. NORTH CAROLINA	91	
41. MONTANA	90	
42. ARIZONA	89	
43. MAINE	89	
44. NEW MEXICO	89	
45. OKLAHOMA	89	
46. SOUTH CAROLINA	89	
47. TENNESSEE	88	
48. ARKANSAS	87	
49. MISSISSIPPI	87	
50. RHODE ISLAND	86	
51. IDAHO	84	
UNITED STATES	100	

8. Geographical Price Index. An index to reflect the variation in purchasing power among states due to geographical differences in prices paid for essentially the same goods and services purchased by colleges and universities. The exception is inclusion of additional or lesser heating and air-conditioning costs due to geographical location. (This index is now under development. The current proxy used is average earnings of clerical workers.) (INPUT factor)

OUTPUT

Adjusted Estimated Appropriations and Tuition Revenues per Student (Rev/7x8)

		Adjusted Dollars per Student	Index
1.	D. C.	$ 6,513	162
2.	ALASKA	6,348	158
3.	NEW YORK	5,885	147
4.	PENNSYLVANIA	5,236	130
5.	NORTH CAROLINA	4,956	123
6.	MINNESOTA	4,896	121
7.	MISSISSIPPI	4,851	120
8.	GEORGIA	4,844	120
9.	SOUTH CAROLINA	4,651	115
10.	WYOMING	4,615	115
11.	ALABAMA	4,614	114
12.	IOWA	4,572	113
13.	IDAHO	4,418	110
14.	ARKANSAS	4,391	109
15.	CALIFORNIA	4,274	106
16.	KENTUCKY	4,215	105
17.	VIRGINIA	4,200	104
18.	LOUISIANA	4,155	103
19.	RHODE ISLAND	4,126	102
20.	TENNESSEE	4,123	102
21.	WISCONSIN	4,068	101
22.	MARYLAND	4,056	101
23.	CONNECTICUT	4,042	100
24.	ILLINOIS	4,038	100
25.	OREGON	4,024	100
26.	VERMONT	3,993	99
27.	FLORIDA	3,938	98
28.	TEXAS	3,938	98
29.	NEBRASKA	3,895	97
30.	NEW JERSEY	3,837	95
31.	MISSOURI	3,816	95
32.	INDIANA	3,745	93
33.	UTAH	3,691	92
34.	MAINE	3,655	91
35.	COLORADO	3,519	87
36.	NEW MEXICO	3,516	87
37.	KANSAS	3,480	86
38.	MICHIGAN	3,432	85
39.	MASSACHUSETTS	3,365	83
40.	ARIZONA	3,364	83
41.	OHIO	3,334	83
42.	NEVADA	3,314	82
43.	WEST VIRGINIA	3,258	81
44.	NORTH DAKOTA	3,204	80
45.	OKLAHOMA	3,171	79
46.	WASHINGTON	3,117	77
47.	HAWAII	3,096	77
48.	DELAWARE	2,891	72
49.	SOUTH DAKOTA	2,848	71
50.	NEW HAMPSHIRE	2,758	68
51.	MONTANA	2,688	67
	UNITED STATES	4,030	100

OUTPUT Adjusted Estimated Appropriations and Tuition Revenues per Student. (Rev/7 x 8) State and local tax revenues appropriated or levied for current operating expenses of public higher education per FTE student adjusted by the state higher education System Cost Index and the Geographical Price Index. Dividing appropriations and tuition by the Cost Index for each state "corrects" for variations among the states in the mix of enrollments at lesser or more costly types of institutions, thereby placing all states on a more common footing for comparison. Dividing by the Geographical Price Index for each state attempts to eliminate geographical price variations so true relative differences in equivalent support levels

TABLE XI

U.S. Veterinary Medicine Schools
1979-80 Tuition and Fee Rates

	Range	Median	Average	WSU
Public Veterinary Schools				
Tuition and Fees				
Residents	$ 600 - 2,609	$1,099	$1,271	$1,028
Nonresidents	900 - 6,776	3,143	2,975	3,758
Private Veterinary Schools				
Tuition and Fees				
Residents	$2,300 - 6,600	$3,832	$4,244	--
Nonresidents	2,300 - 7,900	5,474	5,225	--

TABLE XII

U.S. Medical Schools
Tuition, Student Fees, and All Other Expenses, First-Year Class
1979-80 and 1980-81

	1979-80				1980-81			
Public Medical Schools*	Range	Median	Average	UW	Range	Median	Average	UW
Tuition								
Resident	$180-5,550	$1,756	$1,921	$1,029	$80-5,550	$1,995	$2,108	$1,029
Nonresident	800-14,184	3,347	3,824	3,759	410-23,290	3,760	4,082	3,759
Student Fees	25-1,200	168	293		25-3,525	195	392	-
All Other Expenses	2,750-8,000	4,725	4,877	4,485	3,350-10,090	5,412	5,423	5,190
Private Medical Schools								
Tuition**	2,400-13,500	6,500	6,908		2,600-14,750	7,600	7,892	
Student Fees	15-600	213	227		8-1,362	203	269	
All Other Expenses	2,400-7,455	4,887	4,690		4,000-9,500	5,793	5,941	

* Excludes Uniformed Services University of the Health Sciences which does not charge tuition or student fees.

** The following private or state related schools reported a lower tuition for residents of the state: Baylor, Catholic University of Puerto Rico, Pittsburgh, Temple, Tulane, Eastern Virginia, and the Medical College of Wisconsin. The higher tuition estimate for these schools was used for this table.

TABLE XIII

Relationship of Public Medical School
Resident Tuition and Fees to Undergraduate
Resident Tuition and Fees
1979-80

	Differential
Range	104% to 492%
Median	246%
Average	245%
University of Washington	150%

TABLE XIV

Relationship of Public Veterinary Medicine
Resident Tuition and Fees to Undergraduate
Resident Tuition and Fees
1979-80

	Differential
Range	108% to 233%
Median	156%
Average	161%
Washington State University	150%

APPENDIX C

Statutory References

28B.15.060 General tuition and operating fees to reflect cost of instruction. It is the intent of the legislature that amounts charged for general tuition and operating fees shall reflect the proportional operating cost of instruction at the state universities. It is the further intent of the legislature that such fees charged to undergraduate resident students at the state universities be not more than twenty–five percent of the cost of undergraduate university instruction, that such fees charged to undergraduate resident students at the regional universities and The Evergreen State College be not more than eighty percent of the total of general tuition and operating fees charged to state university undergraduate resident students and that such fees charged to undergraduate resident students at community colleges be not more than forty–five percent of the total of general tuition and operating fees charged to state university undergraduate resident students. [1977 1st ex.s. c 322 § 1.]

Severability——1977 1st ex.s. c 322: "If any provision of this 1977 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1977 1st ex.s. c 322 § 17.] This applies to RCW 28B.15.060, 28B.15.065, 28B.15.070, 28B.15.075, 28B.15.100, 28B.15.201, 28B.15.380, 28B.15.401, 28B.15.500, 28B.15.620, 28B.15.710, 28B.15.800, 28B.35.361, 28B.40.361 and to the repeal of RCW 28B.15.200, 28B-.15.300, 28B.15.400 and 28B.15.630.

28B.15.065 Adjustment of state appropriations for needy student financial aid. It is the intent of the legislature that needy students not be deprived of access to higher education due to increases in educational costs or consequent increases in tuition and fees. It is the sense of the legislature that state appropriations for student financial aid be adjusted in an amount which together with funds estimated to be available in the form of basic educational opportunity grants as authorized under Section 411 of the federal Higher Education Act of 1965 as now or hereafter amended will equal twenty–four percent of any change in revenue estimated to occur as a result of revisions in tuition and fee levels under the provisions of this 1977 amendatory act. [1977 1st ex.s. c 322 § 6.]

Reviser's note: Phrase "this 1977 amendatory act", see "this applies to" note following RCW 28B.15.060.

Severability——1977 1st ex.s. c 322: See note following RCW 28B.15.060.

28B.15.075 Recommendations for adjustments in the amounts of tuition and operating fees. In accordance with its responsibilities under RCW 28B.80.030(3), the council for postsecondary education shall make recommendations to the governor and the legislature for adjustments in the amounts of tuition and operating fees consistent with the intent of this 1977 amendatory act. Such recommendations shall be made not later than November 10th of each even–numbered year and shall be based on the operating cost of instruction for the state universities for the biennium then in effect, such operating costs to be calculated in accordance with definitions, criteria and procedures which have been approved as provided in RCW 28B.15.070. [1977 1st ex.s. c 322 § 8.]

Reviser's note: Phrase "this 1977 amendatory act", see "this applies to" note following RCW 28B.15.060.

Severability——1977 1st ex.s. c 322: See note following RCW 28B.15.060.

28B.15.070 Development of definitions, criteria and procedures for the operating cost of instruction. The house and senate higher education committees shall develop, in cooperation with the council for postsecondary education and the respective fiscal committees of the house and senate, the office of fiscal management and the state institutions of higher education no later of than January 1978, and at each two year interval thereafter, definitions, criteria and procedures for the operating cost of instruction for the state universities upon which general tuition and operating fee recommendations will be based. [1977 1st ex.s. c 322 § 7.]

Severability——1977 1st ex.s. c 322: See note following RCW 28B.15.060.

APPENDIX D

Written Comments Regarding the

August Discussion Draft

WAUS
Washington Association of University Students
Representing over 75,000 university students

September 20, 1980

TO: The Council for Postsecondary Education

FROM: The Washington Association of University Students

SUBJECT: Student Response to CPE Staff Draft Recommendations for Tuition and Fee Policy - Dated August 20, 1980.

The Washington Association of University Students (WAUS) is a coalition of the elected student leaders, both graduate and undergraduate, of the 4-year public universities and colleges of the State of Washington. On September 20, 1980, the WAUS Board of Directors adopted the following positions in response to the 14 tuition and fee policy recommendations proposed in the August 20th draft report by the CPE staff. For your convenience, our responses are set out in the same numerical order as the proposed recommendations.

1. WAUS recognizes that the costs of higher education have increased significantly since the last tuition increase in 1977. Therefore we acknowledge that some tuition increase is both necessary and fair to the students, the universities, and to the taxpayers of the State of Washington.

Furthermore WAUS supports the concept that students should pay some roughly predictable percentage of the Cost of Education up to the current 25% ceiling established by RCW 28B.15.060. It is important that the Council remember that this statutory language establishes a maximum percentage recommended by the legislature. In this regard, WAUS would like an explanation of the basis and policy justification by which a figure of 25% was previously recommended by the CPE and chosen by the legislature.

The more important question, of course, is what specific percentage of the Cost of Education do we believe that Washington

University of Washington Washington State University Western Washington University
Central Washington University Eastern Washington University The Evergreen State College

students should bear. That percentage would certainly be no more than 25%, and may well be less, depending upon our further study and discussion of the following concerns:

A. We have serious reservations about the CPE staff's substantial and continuing reliance on the 7-state comparison study as a policy rationale for this recommendation. For example, there has been no careful examination of the financial aid available, and other variables which might significantly distinguish Washington students (and especially graduate students) from those of the seven comparison states.

B. As has been dramatically demonstrated in recent months, there exists a substantial gap between the financial needs of students as established by the governments's own criteria, and the financial aid which is available to them. Contrary to popular belief, this gap has been sizable even in recent years, and it appears to be getting larger. As can be readily documented from the recent experience at the University of Washington, this gap can have tragic consequences on the lives of thousands of students statewide.

The Washington Association of University Students strongly supports equal access to quality higher education. We are especially concerned that tuition policies do not limit access to low income and disadvantaged students. Thus, before WAUS would endorse the need for any significant tuition increases, we would need to be shown that the financial aid problems of Washington students were being addressed in a meaningful manner.

C. There is considerable dispute within the higher education community as to how to best measure "the Cost of Education". For example, the current Unit Expenditure Study tends to underestimate or ignore external factors of cost to students such as housing, child care, and transportation costs which significantly affect the Cost of Education from the students, rather than from the institutional point of view. Also, in our

response to recommendation 4 below, we oppose the addition of certain public interest and research funds being added to the cost base from which tuition charges are derived.

As to the recommendations addressing the portion of the Cost of Education which students of the regional universities and the community colleges should pay:

WAUS supports the CPE staff recommendation to widen the tuition differential between the research universities and the regional universities.

As WAUS has no authority to speak for community college students, we have no comment on the third portion of recommendation No. 1.

2. WAUS endorses the CPE staff proposal that nonresident students continue to pay those proportions of the Cost of Education as set out in this recommendation.

3. WAUS opposes the CPE staff recommendation to increase resident graduate school tuition to 120% of the Cost of Education. The rationale behind even a 15% surcharge to all graduate students has not been adequately demonstrated, and needs review.

Before any disproportionate tuition increase for graduate students is enacted, WAUS believes that it must be preceded by a thorough examination of financial aid availability to graduate students in the 7 comparison (and other) states. Furthermore, any increase should be accompanied by a considerable salary increase for graduate students holding service appointments. It has been well documented that Teaching and Research Assistant Compensation has risen more slowly than that of the faculty, and much more slowly than the Consumer Price Index over the past several years. Other states apparently rely on tuition waivers as a means of compensating such graduate students. This possibility should be examined.

(See the footnote[1] below for a WAUS statement on a recent study regarding graduate student compensation.)

4. According to the language of the report itself (at page 17), these funds are apparently used for public service programs and to match research grants, rather than for student instruction. Therefore WAUS opposes their inclusion into the students' tuition cost base.

5. WAUS strongly endorses the concept of phasing in any new tuition increase. However, we recommend that such increase be added in even increments of 1/2 in the first year and 1/2 in the second year of the 1981-83 biennium.

Because of the current recession, the difficulty of securing adequate financial aid, and our concern for equal access to higher education, WAUS believes that such 1/2-1/2 implementation of any tuition increase would not only be easier for the students to bear, but would also be better for university planners because it would lessen the danger of large enrollment fluctuations due to a dramatically large tuition increase.

Footnote[1]

In response to a recent draft student compensation study by the CPE staff, SaraLynn Mandel, President of the U of W, Graduate and Professional Student Senate, made the following recommendations:

Re: Page 12-14 CPE Recommendations for Teaching Assistant Compensation:

1. We endorse the CPE staff recommendation that the State legislature for graduate students holding service appointments (TAs and RAs) commensurate with faculty salary increases, in an attempt to enable GSSAs to achieve comparable purchasing power.

2. We further recommend that GSSA salaries be increased 20% (parity with the proposed faculty salary increase) to reduce the disparity with the CPI.

3. We adamantly oppose all references to GSSA as "financial aid" in recognition of the important services provided by graduate students to the universities.

6. WAUS supports this recommendation. However, we think it important to stress that the decision to increase S&A fees should remain on the local level. The extent of need for specific programs funded by S&A fees are best determined at the individual university. The primary responsibility for determining such need must rest with the students or with their elected student representatives.

7. WAUS strongly supports this recommendation. Furthermore, in view of our similar endorsement of recommendation 9, and because we agree with the CPE as to the relatively greater need for university operating funds, WAUS supports the proposal that any tuition increase for the 1981-83 biennium should be for the operating portion of tuition rather than for the tuition component for capital construction projects.

8. We perceive strong arguments both for and against this proposal based upon the following concerns:

A. We acknowledge that these are legitimate needs for financial flexibility on the university level. This is particularly a problem with regard to student enrollment fluctuations.

B. We strongly oppose proposal No. 10 (see discussion below), and could only support proposal No. 8 if it were absolutely clear that it was not a step in the direction of either proposal No. 10, or an eventual proposal that individual Boards of Regents or Trustees be authorized to set tuition levels on their campuses, as is the practice in certain other states.

C. If proposal No. 8 is adopted, WAUS would support the CPE staff recommendation for legislation necessary to ensure proper budgeting oversight and appropriate allotment controls over those funds.

9. As discussed in recommendation No. 7 above, WAUS strongly supports this proposal.

10. Of all of the recommendations of the current CPE report, WAUS expresses its strongest opposition to proposal

No. 10 in its entirety. That opposition is based upon the following concerns:

A. This proposal appears to be a thinly veiled reconstruction of the automatic adjustment proposal which was opposed by WAUS in prior years and which has previously been considered and soundly rejected by the State legislature.

B. The important policy decisions of if and how much to increase tuition is best left to the legislature which is accountable to all of the citizens of Washington State. Recommendation No. 10 would delegate entirely too much authority on this issue to the CPE and to the university boards, both of whom are accountable to much narrower interests.

Such a proposal has the effect of further institutionalizing and reinforcing inflation in university costs. This is because the students who would bear the statutory percentage of university costs, have little to no representation in the university budgeting process. If students are to become more partners in payment of university costs, then we must become more partners in determining how our money is to be spent.

C. Any such delegation of authority in this area would be inappropriate until there is more consensus as to the soundness of the current unit expenditure study as the yardstick with which to measure the Cost of Education.

D. Although there is some merit to allowing individual university boards a band of flexibility in establishing operating fees on their campuses, WAUS believes that such a strategy might soon lose its effectiveness. This would be because of the likely tendency of both legislators and university boards to soon rely on the maximum "special" funds being available in the same way that common school "special" levies were soon relied upon to provide basic instructional monies. This would be especially likely to occur in times such as the current budgetary shortfalls.

12. WAUS takes no position on this recommendation.

13. WAUS takes no position on this recommendation.

14. WAUS, of course, supports this recommendation, but would refer the Council to our comments under 1(C) above. Students have long been told that increases in tuition, child care, housing, and other costs of attending college would be matched by equal or greater increases in financial aid. Yet the already sizable need gap appears to be becoming worse, due to federal aid reductions. Washington students are being especially hard hit due to the redistribution under the Federal Fair-Share program. Even when available, financial aid increasingly leaves students with huge burdens of debt. It is WAUS' position that specific and achievable means to pay for higher education must be demonstrated before significant tuition increases are enacted.

We hope the foregoing will be of assistance to you in your discussion of these proposals. Members of our Board will be present for at least a portion of your October Council meeting should you wish to discuss these matters further.

STATE OF WASHINGTON
Dixy Lee Ray
Governor

STATE BOARD FOR COMMUNITY COLLEGE EDUCATION
319 Seventh Avenue, FF 11, Olympia, Washington 98504

Ref.: 80-31-188

September 5, 1980

Mr. C. Gail Norris
Executive Coordinator
Council for Postsecondary Education
908 East Fifth Avenue
Olympia, Washington 98504

Dear Gail:

The SBCCE recently approved the 1981-83 capital budget request for the community college system. I am sending several copies for the use of you and your staff. You will see that our Board has recommended an increase of $10 in the tuition portion of the quarterly fees paid by community college students.

We have reviewed your Council's recently-approved guidelines for evaluating 1981 budget requests. We find that two of those guidelines are conflicting and incompatible when applied to our capital request and funding recommendations.

I want to outline the circumstances and rationale which have led to the State Board's recommendation and which will affect the uniform application of your review criteria.

Financial Resources

The Governor's target budget for 1981-83 would support fewer than 82,000 FTE students annually for the community college system. If enrollment is actually reduced to anything less than 90,000 FTEs, there will be insufficient tuition revenue to meet the current debt service requirements of already-approved tuition-related G.O. bonds. Although the 1979 Legislature removed the requirement that our tuition revenues be available prior to the scheduled payments of debt service from the state general fund, there remains the reasonable presumption that tuition deposits should continue to support debt service payments on a timely basis.

If we serve fewer than 90,000 FTEs in 1981-83, no new capital construction bonds could be approved in 1981 using uncommitted tuition to meet projected debt service. The community college system is therefore faced with requesting state general fund support of virtually its total capital request. The SBCCE does not believe that, under Initiative 62, any reasonable amount of new capital funding can be expected from general state sources.

Fee Recommendations

The Council is recommending a major increase in student fees, with the increased revenue to be used for operating purposes. This recommendation is consistent with your review guideline #4 -- to use state general funds for operating rather than capital purposes.

The SBCCE is recommending that $10 of the increase be applied to the tuition (capital) portion of the fee, because in no other way can capital resources be identified for 1981 (except through HJR 52 bonding using state general funds to pay debt service).

Capital Needs

Our colleges recently completed a Facility Quality Survey (FQS) to identify repair and major maintenance requirements that should be met within the next ten years. The highest priority -- $9.2 million -- of our 1981 capital request is composed almost exclusively of projects to meet FQS-identified needs. The next-highest priority is $3.5 million of emergency and regular repair (RMI) funds. This funding is necessary to meet the requirements of the Council's guideline #5 -- to achieve better use and efficiency in existing structures; these projects are also needed to preserve the state's investment in community college facilities.

The remaining highest-priority capital project requests include $3.1 million of minor improvements and $6.9 million to complete two projects initiated by the 1979 Legislature. Thus, the community college system capital budget will require $22.7 million to fund our highest-priority needs, exclusive of the major capital improvements deferred in 1979 and resubmitted in 1981 by legislative direction.

Conclusions

The SBCCE capital request resolves the dilemma between maximizing operating resources on the one hand and preserving and enhancing the utility and efficiency of our state-owned facilities on the other, by suggesting that a portion of future increases in state revenues (from higher student fees) be used for capital bonding rather than for operating budget support. There is no other 1981 source of $20 million for community college capital improvements except the state general fund. Even if community college enrollments are reduced below 84,000 FTEs, sufficient tuition revenues would be generated at the higher tuition fee rate of $51.50 per quarter to fund the state's current debt service obligations for community college bonds and to provide for some $20 million of new bonds -- the minimum neeessary to meet our highest-priority capital requirements.

We feel that it is most important that you and your staff understand how these inter-related factors have affected the community college capital request. More detailed

treatment of these issues is presented in the budget document as follows:

- sources of funding -- pp 11-13 and Table 6
- tuition-based bonding capacity -- p 12-13 and Table 5
- summary of highest-priority project funding -- Table 6
- description of highest-priority projects -- pp 14-15, 27-195

I am also enclosing a copy of State Board Resolution 80-39 which contains the recommendation for the $10 per quarter increase in capital-related student fees.

If you or your staff have further questions about the capital funding position of the community college system, please call us.

Sincerely

John N. Terrey
Executive Director

JNT:RT
Encs

The Evergreen State College

September 19, 1980

RECEIVED
1980

Mr. C. Gail Norris
Executive Coordinator
Council for Postsecondary Education
908 East Fifth Avenue
Olympia, Washington 98504

Dear Gail:

I am writing to indicate endorsement by the Council of Presidents of the preliminary tuition and fee policy recommendations presented at the August meeting of the Council for Postsecondary Education. These policy recommendations represent a sound approach to one of the most difficult problems facing higher education in this decade, and we support your efforts to bring them to public debate and resolution. We believe that the guidelines have the potential for helping to assure the continued health of the State's higher education system. They make clear the appropriate role that tuition and fees should play in financing the cost of instruction. They provide a better foundation for the financing of higher education through clear delineation of tuition and fees as local funds subject to appropriate budget oversight and allotment controls. They provide an opportunity for local boards, within limits prescribed by the Legislature, to increase tuition and fees and, hence, play an appropriate policy-making and accountability role. They also provide a means to address some aspects of the difficult problem of access and available resources.

We have only one suggestion for improvement to your recommendations. This is to recommend that the State establish base general fund levels for a given number and mix of students at each public institution and recommend a procedure for the Legislature to use in making regular adjustments to student tuition and fee levels in the future.

With this additional recommendation, we believe your tuition and fee policy recommendations will provide a sound funding base for higher education in Washington. We urge their approval by CPE.

Olympia, Washington 98505

Again, you and your staff and the Council are to be commended for discussing and evaluating tuition and fee policy revisions which can help bring higher education through the difficult times ahead.

Sincerely,

Daniel J. Evans, Chairman
Council of Presidents

DJE:sms
cc: ICAO Members
ICBO Members
COP Members
Robert L. Carr

STATEMENT REGARDING CPE 1981-83

TUITION AND FEE POLICY RECOMMENDATIONS

The University of Washington endorses generally the principles upon which the Council's 1981-83 tuition and fee policy recommendations have been based: a recognition of the continuing role tuition and fees must play in the financing of higher education, recognition that tuition and fees in this state are substantially lower than in other comparable states, and a recognition of the need to create greater financial flexibility for the state in financing higher education in this decade. The University of Washington and its Board of Regents has also considered these issues and has advanced a series of tuition and fee recommendations in its 1981-83 biennium operating and capital budget requests. A copy of the recommendations is attached. In general these recommedations are aligned with those before the Council. There are, however, thr differences you should be aware of:

1. In contrast to CPE recommendations Nos. 9 and 10a, the University recommends a flexible policy with respect to the use of income from tuition and fee increases for operating and/or capital purposes. While we agree with the need to place the highest priority on the operating budget, in the end a balanced budget reflecting both operating and capital needs must be formulated. Further, we believe that limited state General Fund tax revenues should be directed toward on-going operating budget needs as a matter of highest priority.

2. In a period when the competition for scarce state resources is expected to be more intense than in previous history, the continued accessability and vitality of higher education programs may ultimately depend on the amount of financial flexibility provided to local Boards. The University sees the potential need for greater flexibility than envisioned in the Council report and has hence recommended that local Boards be authorized to increase tuition and/or operating fees by up to 33% above legislative policy levels. This flexibility could be utilized to varying degrees dependent on the level of tax and base tuition and fee support in the legislative budget. The University hopes that tax generated revenue would provide, with base tuition and fee support, adequate funds to maintain the quality of its instructional programs. The 33% increase factor was calculated on the basis of anticipated tuition and fee averages in the seven comparison states.

3. In contrast to CPE recommendation No. 3 providing that graduate student tuition and operating fees be set at 120% of undergraduate fees, the University recommends continuation of existing policy (115% of undergraduate fees). The continuation of present legislative policy will keep graduate tuition and fee levels just under (2%) national averages, as is the case for undergraduates (5% below national averages).

University of Washington
October 7, 1980

University of Washington

Tuition and Fee Related Financial Policy Recommendations

1. The State should establish minimal base funding levels for a given number and mix of students at each of the State's public institutions, such funding levels to include regularly adjusted legislatively determined student tuition and operating fee levels. It is recommended that base funding levels be at least the equivalent of the legislative budget established for the 1979-81 biennium including appropriate carryforward costs and inflationary adjustments.

2. Legislatively determined student tuition and operating fee levels should be adjusted regularly, at least biennially, such fee revenue to be available for both operating and capital purposes in the biennial budget. The legislatively determined student tuition and operating fee levels should be based on the cost of instruction at the three types of public higher education institutions (research universities, regional universities and community colleges) and be based on the following policies by student category (present legislative policy for research universities):

Student Category	Tuition and Operating Fee Policy
Undergraduate Resident	25% of Instructional Cost
Undergrad Non-resident	100% of Instructional Cost
Graduate Resident	115% of Undergrad Resident
Graudate Non-resident	115% of Undergrad Non-resident
MD/DDS Resident	160% of Undergrad Resident
MD/DDS Non-resident	160% of Undergrad Non-resident

3. Provide for the deposit of student operating fee revenue in institutional local funds. This will provide improved accountability of these funds, enhanced flexibility in the management and operation of instructional programs and greater incentive for program and financial management.

4. The University's programs and budget should be adequately supported from both state tax funds and appropriate student tuition and fee levels. If this level of combined support is not provided, then local boards of regents and trustees should have authority to increase tuition and/or operating fees from legislatively determined levels to the following maximum levels, such additional revenues to be used for such educational purposes as are determined by said boards including operating and/or capital purposes. This authorization will provide local boards with additional flexibility to manage institutional programs and finances consistent with local needs and requirements within a policy range determined by the legislature. It will provide institutional flexibility to meet and balance concerns for quality with enrollment demand within legislatively determined base funded enrollment contracts.

Student Category	Board Determined Tuition and Operating Fee Policy
Undergraduate Resident	133% of Legislative Fees (33% of Instructional Cost)
Undergrad Non-resident	133% of Legislative Fees (133% of Instructional Cost)
Graduate Resident	133% of Legislative Fees
Graduate Non-resident	133% of Legislative Fees
MD/DDS Resident	166% of Legislative Fees
MD/DDS Non-resident	166% of Legislative Fees

The above board determined tuition and operating fee policies would provide maximum tuition and operating fee levels approximately equal to the average of the seven comparison states (California, Illinois, Indiana, Michigan, Minnesota, Oregon and Wisconsin) for state research universities.

5. Provide authorization to boards of regents and trustees to increase services and activities fees by up to the percentage increase in tuition and operating fees determined by the legislature and individual boards, such income to be used to support such student activities and programs the boards determine, provided that such revenue shall not be considered by the state in establishing base student service funding levels. This policy will provide the flexibility to increase services and activities fees to keep pace with rising costs and to meet locally determined needs for student activities and programs.

6. Provide that all credit courses offered and delivered off campus for the convenience of students be charged at least the full direct cost of providing such instruction including such operating, capital and services and activity fees as necessary to fund the instructional services provided. Such off-campus instruction student credit hours are not to be included in instructional budgets funded from the State General Fund and legislatively determined tuition and fee revenue. This policy recommendation will provide authority to local boards of regents and trustees to fund programs where demand is sufficient to cover all direct costs without impacting regular institutional budgets and will help assure that limited state resources are used for basic instructional programs.

7. Because increases in tuition and fees will impact the ability of students to continue enrollment in higher education programs, it is recommended that all increases in tuition and fees provide sufficient flexibility for the state or the institution to utilize a portion of that increased revenue for student financial aid. The Council for Postsecondary Education (CPE) has recommended that approximately 25% of the revenue generated from a tuition and fee increase be set aside for increased financial aid (whether through increased tuition and fee waivers, need grants or work study). It is thus recommended that sufficient flexibility be provided to boards of regents or trustees to utilize up to 25% of the revenue generated from any board determined tuition and fee increase for financial aid purposes including waivers, need grants or work study.

8. Provide individual boards of regents and trustees with authority to waive up to 5% of legislatively determined tuition and fees for educational need purposes. This recommendation provides more flexibility to local boards in the managements of financial aid programs within the 25% CPE financial aid policy regarding tuition and fee increases.

Associated Students of
Western Washington University
VIKING UNION 227 BELLINGHAM, WASHINGTON 98225

October 3, 1980

The Council for Postsecondary Education
State of Washington
Seattle, Washington

Response to CPE Draft Recommendations for Tuition and Fee Policy -
Dated August 20, 1980

Gentlemen:

You may or may not know that the students of Western Washington University are not a part of the Washington Association of University Students (WAUS) this year. This is why we are submitting our position to you at this time.

To make this presentation easier for you to read and refer to, I will follow your staff's outline in their August 20, 1980 recommendations.

Before we comment on the proposals, we would like to make clear that we will not support any tuition increase while the service to the students decline. This has already occurred here at Western with the 3% budget cut imposed by the Office of Financial Management. There is an additional 2% budget cut just announced which would cut deeply into the services offered to the students here, the amount is close to $600,000.

1. We are in agreement that students should pay some portion of the cost of education. Current law states 25% as the maximum percentage figure to be use. To qualify our statement we request the Council to review the following points:

   A. The seven (7) state study and give some thought to new comparison states.

   B. Update the unit expenditure study, excluding such things as research, and public service

   C. The gap in Financial Aid needs and provisions.

   D. The question that education is a right and not a privilege.

2. We are in agreement that the non-resident student bear the cost of education.

3. We are opposed to the increase in the graduate percentage figure.

   A. With the increased enrollment at Western the Teaching Assistants do a service for this university and they are being paid under the national average for these duties, as are the Head Residents and Resident Aides.

4. We are opposed to this recommendation. This money is being used to match research grants and public service programs and not the actual academic programs offered at this university. We at Western don't really find where this recommendation would benefit Western Washington University.

5. We are glad that CPE considered the phasing in approach of the proposed tuition increase. But, we would strongly suggest to the CPE to phase the proposed tuition increase as a 50/50 split instead of the 75/25 split proposal.

6. We at Western are in support of this proposal provided, that the increase is asked for by the student government at the local level. This primary responsibility should rest with the student government becasuse they are elected by their fellow students and should best know their needs.

7. We are in favor of this proposal, that all increases in tuition be earmarked for the operating portion of the budget, instead of the capital portion.

8. We at Western are in favor of this recommendation. This biennium Western was contracted for approximately 9900 students and this year we have approximately 10,500 students enrolled and attending classes. Because the figure of 9900 is used by the state to calculate monies to be issued to Western for their operating budget we are forced to have larger teacher/student ratios. If the operating portions of the fees paid by students were allowed to stay at the local level Western would be able to meet this demand with no problems.

9. We are in favor of this proposal. Any capital projects should have a general bond let for essential building.

10. we are opposed to this proposal in its entirety for the following reasons:

    A. By deleting the specific dollar amount in the RCW's we feel this is a move toward an automatic esculation which the Legislature has already rejected.

    B. We feel that is the responsibility of the Legislature to set the increases. The Legislature is elected by the citizens of the state, and report to them.

    C. Items in this recommendation are placing authority into the hands

appointees who have a defined reportage, namely the Governor. They aren't directly responsible to the citizens of the state.

11. We at Western feel that the community colleges should make recommendations on this proposal.

12. The Associated Students of Western Washington University take no position on this proposal.

13. Same as 12

14. We at Western are in full agreement with this proposal. But with what is happening at the University of Washington and the actual Financial Aid gaps, (requests vs. expenditures). We feel this matter must be researched and given full priority.